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Shares slide as new fears hit markets

Reagan responds to Wall Street pressure

By John Bell, Michael Clark and David Smith

There was renewed turmoil on stock exchanges in London and New York as nervous selling led to steep falls in share prices.

On Wall Street, shares collapsed in early trading on fears of a sharp escalation in the Gulf War after an Iranian missile attack on Kuwait's main offshore oil terminal. The Dow Jones industrial average fell 150 points in the first two hours of trading.

Investors reacted badly to the gloomy predictions by influential investment commentators that the market remained vulnerable to further steep declines.

In London, heavy selling led to a sharp fall in the FT-SE 100 share index, the most

widely followed measure of prices on the London Stock Exchange. It closed down 110.6 at 1833.2 but at one stage showed a fall of almost 200 points.

In an atmosphere similar to the near panic on Monday, which gave rise to record falls in most of the world's leading exchanges, the market authorities on Wall Street requested a voluntary ban on so-called program trades - selling triggered automatically by

into the new Stock Exchange trading account starting on Monday. This would effectively give them an extra two weeks to reduce their losses by taking advantage of any rally that developed.

Confirmation that the Government is to press ahead with its £7.5 billion sale of BP did little to soothe frayed City nerves. The BP share price fell another 15p to 282p - a loss on the week of 68p - compared with a Government sale price of 330p.

It looks likely that the issue will be a flop, forcing the underwriters to take up millions of unwanted shares. To raise the cash required, the underwriters may be forced to sell other shares in their portfolios which would depress the market. The rest of the oil sector has been badly hit by events at BP with an estimated £9 billion wiped from share values in the past week.

Brokers in London reported heavy selling of British shares by US financial institutions. Phillips & Drew, the London broker, was believed to have handled a big selling order by Fidelity Boston. Other London brokers were urging clients to switch out of equities and into the bond market.

Government bond prices moved sharply higher in London and New York as expectations of lower interest rates and a world economic slowdown took over from fears of higher inflation.

Several US banks trimmed their prime rates from 9.25 to 9 per cent, responding to lower money market rates in New York. Only a week ago, before the big stock market sell-off, US banks were raising their prime rates from 9.25 to 9.75 per cent.

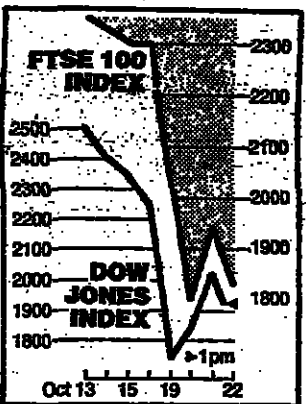
Canadian banks also cut their prime rates, by three-quarters of a point, and West Germany edged downwards.

The Bank of England announced it was making £500 million of additional stock available to the market today.

This was seen as a move to calm the market. The important trade figures for September are due to be released today.

The US bond market rose strongly as investors sold shares and shifted their money into government securities. The bond market was nearly three points up in early afternoon trading in New York, with yields down from 9.45 to 9.15 per cent.

The dollar moved higher yesterday, despite lower US interest rates. It rose by half a penny to DM1.8140 and from ¥143.70 to ¥144.50. The pound slipped by a third of a cent to \$1.6525.



Byrd, the majority leader, requested a personal meeting but White House aides said nothing was likely prior to Mr Reagan's news conference, his first in seven months.

The press conference was regarded as a vital element in the White House programme to restore confidence in Mr Reagan's leadership and in the underlying health of the US economy.

If the President appeared to back off from substantive negotiations with Congress over budget reductions which could include tax increases, international markets would move into another tailspin, analysts said.

Share prices on the London stock market suffered further heavy falls, wiping out nearly all of Wednesday's rally and once again sending investors scurrying for cover.

More than £24 billion was wiped from the value of quoted companies and dealers last night were worried that there may be worse to come.

Dealers claimed Wednesday's rally had little substance and investors were clearly in no mood to chase prices higher when trading resumed yesterday, despite a record one-day rise overnight on Wall Street and strong gains in Tokyo.

Many dealers now face substantial trading losses when the two-week account closes today.

Several market-makers were refusing to allow traders to carry their positions over

Nobel award for poet from Russia



Joseph Brodsky, the Russian poet and former labour camp inmate who now lives in London, after his award of the Nobel Prize for Literature. Report, page 3. (Photograph: Alan Weller)

'Great hopes' for superpower pact

From Christopher Walker, Moscow

Soviet and American officials held a rare joint news conference in Moscow last night to express optimism that the final obstacles towards reaching an historic superpower treaty on eliminating medium and short-range nuclear missiles will soon be overcome.

In a harmonious atmosphere, Mr Charles Redman, for the US State Department, and Mr Gennady Gerasimov, for the Soviet Foreign Ministry, agreed publicly that their respective ministers had made progress earlier during two rounds of negotiations devoted largely to achieving final agreement on the first superpower arms accord in eight years.

Mr Redman, referring to talks between Mr George Shultz, the US Secretary of State, and Mr Eduard Shevardnadze, the Soviet Foreign Minister, told more than 400 reporters packed into the Soviet press department: "Both men said they considered the meetings to have been constructive, problem-solving in nature, and that they had made good progress."

Mr Gerasimov later agreed publicly with the account given by the US official who said that the new round of negotiations had continued in the "businesslike and very serious way" that had coloured talks between the two sides in Washington during September, when the first breakthrough towards the medium and shorter-range missile

Control of Trident is doubted

By Philip Webster
Chief Political Correspondent

The Government's embarrassment over the acquisition of Trident missiles from the United States deepened last night as the opposition parties alleged that the maintenance arrangements meant that the British deterrent system would not be independent.

They seized on yesterday's reports, describing the arrangements for servicing the missiles at King's Bay in Georgia in a pooling arrangement with the US as proving their case that the Americans would control which missiles came to Britain.

There was an angry clash in the Commons between Sir Geoffrey Howe, the Foreign Secretary, and Mr Gerald Kaufman, after the shadow foreign secretary repeatedly challenged Sir Geoffrey to state that the missiles which went to King's Bay for servicing would be the same ones which returned to Britain.

When Sir Geoffrey declined to do so and said that Britain would keep the "same number" of missiles, Mr Kaufman said it proved reports of a leasing deal with the Americans were in fact true.

Sir Geoffrey had earlier issued a firm denial that Britain would be leasing or hiring the missiles rather than buying them.

Parliament, page 4
Leading article, page 17
How independent? page 24

Army poised to run prisons

By Richard Ford, Political Correspondent

The Army was on standby to run jails last night after the Home Secretary warned prison officers they would be suspended without pay from next week if they continued with their industrial action.

Mr Douglas Hurd also threatened to suspend the deduction of subscriptions to the Prison Officers' Association (POA) from its members' pay if the dispute widened throughout the prison service.

He said that the "destructive and dangerous" action, which has resulted in 1,300 prisoners being held in police

cells each night, was putting at risk the Metropolitan Police's job of policing London.

The national executive of the POA meets today in emergency session to consider its response to what it described as "threats" by Mr Hurd against its members involved in industrial action at five prisons in London and the South-east.

It will consider holding a ballot of its 25,000 members for nationwide industrial action.

Mr Hurd announced his tough warning after a 90-minute meeting with the POA executive at the Home Office yesterday to discuss the action, which has meant 1,300 remand prisoners being taken nightly to police cells as far away as Cornwall and Durham after prison officers refused to admit new prisoners at the five jails.

From early next week prison governors will formally warn staff that if they continue with their action, and prisoners remain locked out, staff will be sent home without pay and remain there until they are prepared to work normally.

Dr Ward's group, meanwhile, is experimenting with ways to eradicate health hazards caused by the lead and is concentrating on means of stabilizing the substance so that it will remain locked in the ground.

Its research on the M25 coincided with a reduction in the permitted amount of lead additive in petrol, which was cut from 0.4 grams per litre to 0.15 grams per litre in January 1986, but Dr Ward said the cut was offset by a rise in the volume of traffic on the M25 to more than 86,000 vehicles a day.

The group examined the degree to which contamination varied with the topography.

'ANC kidnap plot' charges are dropped

By Stewart Tendler, Crime Reporter

Charges against three men of conspiring to kidnap members of the African National Congress were dropped at a London court yesterday amid claims from the defence that they were wholly innocent and were mistakenly detained.

The defendants' discharge came several weeks after the prosecution of a fourth defendant was withdrawn in a case where detectives allegedly uncovered a mass of sensitive documents involving MPs and a minister.

But last night police sources denied the defendants had any connection with the Government and said the case had been dropped because detectives were satisfied the defendants were neither terrorists nor capable of carrying out any conspiracy to kidnap.

The defendants were said to be living in a fantasy world and were involved with a figure from the mercenary world. Many of the sensitive documents did not exist or were innocuous.

Two of the men freed, Frank and John Larsen, said to be father and son, were last night still in custody facing deportation proceedings.

Defence counsel claimed in court appearances during the conspiracy case that the defendants had documentary evidence of British government involvement with the defendants and innocent "projects".

There were documents held by police including letters from two Conservative MPs, Mr Julian Amery and Sir Edward Gardner; Mr David Waddington, the Government Chief Whip, and Mr William Marsden, a Foreign Office official, and police interviews with Seychelles exiles.

The collapse of the case came yesterday morning when

the high-security magistrates' court at Lambeth was told that charges had been dropped against Mr Evan Evans, aged 48, a former member of the South African forces, from Siop Newydd, Anglesey, Mr Frank Larsen, aged 33, a psychologist originally from Zimbabwe, and Mr John Wheatley, aged 28, a former soldier, of Alder Close, Ashwell, Aldershot.

Mr Stephen Fidler, solicitor for the Larsens and Mr Wheatley, said later: "From documents in the hands of the Anti-Terrorist Squad it is clear there never was any plot to kidnap members of the ANC involving our clients."

"It is a fact that the only reason why matters have gone this far is a lack of communications between various government agents. No arrests should ever have been necessary. Our clients do not deny they have been working for the British government."

His clients called for the return of documents which he said "concern matters of national security and also contain party political consequences which could have catastrophic effects should they be leaked to enemy agents. Any release would most certainly cause a great deal of embarrassment to the British Government."

The defence has protested it has only received 700 documents which is 1 per cent of what was seized by police and will fight to get them back.

The solicitor said there was concern for the safety of his clients on their release. He said they were sitting targets for assassins and there was particular fear that Mr Wheatley could be abducted. He said: "Our clients' bona fides and innocence have been vindicated."

Continued on page 24, col 3

Kuwait will protest at UN after Iran attack

From A Correspondent, Bahrain

Iran fired another Silkworm missile into Kuwait's territorial waters yesterday, this time heavily damaging the vital Mina al-Ahmad island oil terminal, in a continuing campaign of intimidation against Iraq's neighbour.

Kuwait immediately said it would lodge new protests with the United Nations, and summoned the Iranian chargé d'affaires, Mr Mohammed Farouhi, to warn him that it would "reconsider all relations with Iran" if Tehran "persisted in carrying out such dangerous aggressions".

The missile, launched from about 50 miles away in Iranian-held territory in the Fao peninsula of southern Iraq,

caused at least three injuries but as many as 20 people were unaccounted for. Firefighters were said to have controlled a raging blaze after several hours, but the damage to the terminal appeared extensive.

Kuwaiti defence units on Faylakah island were said to have seen the missile being launched, apparently on radar. It was not known if they tried to shoot it down.

There were no ships at the terminal when the radar-guided missile bore in about 30 feet above the water and apparently ruptured at least one pipeline. The terminal is used mainly for loading super-tankers with crude oil.

Photograph, page 9

Piggott in £4m tax fraud trial

By Tony Dawe

Lester Piggott, the former champion jockey, faces the possibility of a prison sentence if he is found guilty at Ipswich Crown Court today of an alleged tax fraud totalling nearly £4 million.

Mr Piggott, a trainer at Newmarket, Suffolk, is charged with 11 offences of defrauding the Inland Revenue of £3.75 million. He is also charged jointly with his company, L.K. Piggott, of Ilford, Essex, of failing to pay value-added tax of £140,000.

The maximum sentence on the VAT charge is two years' imprisonment. Sentence for the revenue charges would be at the discretion of Mr Justice Farquharson, the trial judge.

The biggest sum on the charge sheet relates to an alleged omission of £1,359,726 from additional riding income. Another alleges that for 14 years from 1971 he omitted income of £1,031,697 from bloodstock operations.

The charges include six related to false accounts and three of making false returns. Mr Piggott is charged also with making a false declaration of income and of the number of his bank accounts

Ringmaster

Barry Hearn, the promoter of tomorrow's big fight between Joe Bugner and Frank Bruno, is throwing down a challenge to the old order. Page 46

Degree lists

Further degrees awarded by London University are published today. Page 35

TIMES FOCUS

The design exhibition at the Royal College of Art charts nearly 200 years of the change of styles at W H Smith. Special Report. Pages 38-40

Portfolio

● The £4,000 prize in The Times Portfolio Gold competition was won yesterday by a Bournemouth reader. Details, page 3.
● Portfolio list, page 37.

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Jam today, health hazard next on the M25

By Pearce Wright, Science Editor

Lead contamination of vegetation and dust along the M25 motorway is "near a level that mining companies would consider a worthwhile deposit for recovering metal", according to scientists studying the problem.

The hazard of lead pollution on the M25 was revealed yesterday by the researchers, as motorists endured a record jam along the entire length of the northern section of the westbound carriageway. Drivers faced delays of up to three hours as a 25-mile tailback built up in Essex and Hertfordshire.

It was caused after a drainage system collapsed, creating a hole in the central reservation near the Junction 18 exit to Rickmansworth, and was compounded by roadworks between junctions 25 and 26, near

Waltham Abbey, which are also causing delays.

The traffic jams and reports on lead pollution come just a week before the first anniversary of the completion of the M25, which is London's orbital motorway.

In measuring lead emissions, scientists working with Dr Neil Ward, of Surrey University, compared the M25 with the M1 and other urban areas. They found an increase along the margin of the entire length of the M1, which Dr Ward said was to be expected after 20 years but also drastic rises at many intersections.

However, the worst contamination occurred on the Surrey section of the M25 where in only two years conditions had overtaken those on the M1. In London, the team found high

concentrations in soil from Parliament Square, Speaker's Corner and near the Hogarth roundabout.

The results coincide with news of government support for a campaign to encourage the use of lead-free petrol. Fewer than one in a thousand car owners are converting to the unleaded fuel and only 525 of Britain's 21,000 garages are equipped to sell it, while surveys for the Department of the Environment and the Department of Energy show that there is public confusion over its suitability for particular cars.

But in the next few weeks motorists will see posters on garage forecourts listing the makes of car that can accept lead-free petrol and those that need retuning before changing over. More than 60 per cent of motor vehicles are

covered by those two categories, leaving only the models with older types of engine as unsuitable.

Dr Ward's group, meanwhile, is experimenting with ways to eradicate health hazards caused by the lead and is concentrating on means of stabilizing the substance so that it will remain locked in the ground.

Its research on the M25 coincided with a reduction in the permitted amount of lead additive in petrol, which was cut from 0.4 grams per litre to 0.15 grams per litre in January 1986, but Dr Ward said the cut was offset by a rise in the volume of traffic on the M25 to more than 86,000 vehicles a day.

The group examined the degree to which contamination varied with the topography.

YOUR MONEY AND YOUR LIFE

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NEWS SUMMARY

Unions divided over Ford deal

Britain's two biggest unions were on a collision course last night after the Ford Motor Company was warned not to single out component for its proposed £40 million high technology plant in Scotland which would go into a home-built car unless plans for single-union working were dropped.

The warning came from Mr. Mick Murphy of the transport union after a meeting of the committee representing the 12 manual unions in the company. He said the unions would "not continue to build relationships with a company that is legislating for our extinction".

However, Mr. Jimmy Airlie of the engineering union, which signed the single-union deal earlier this month after secret negotiations in the United States, said he believed the company would take the plant abroad.

Japanese help Tate £20m for heritage

The Tate Gallery plans to build an extension to house some of its most outstanding paintings, with a gift of £1.5 million from Nomura Securities, a Japanese company, it was announced last night.

The extension, to be called the Nomura Gallery and completed in 1990, will be sited in a central yard now covered by a temporary roof and used for storage behind offices of the Friends of the Tate.

One possibility is that the new extension will provide space for works by Picasso. This had been made possible with Government grants totalling about £85 million. The extra aid would enable the trustees to continue their work and restore reserves.

Time switch plea

Fuel costs would be saved, road deaths and injuries cut and the tourist season extended if Britain put its clocks forward by an hour throughout the year, according to a report yesterday.

There would be a small reduction in the number of burglaries and possibly in other crimes, the report, published by the Policy Studies Institute, says.

British clocks go back by an hour at 3am next Sunday.

Racism warning Two-tier health

Racism is driving some black probation officers from the service, the National Association of Probation Officers was told yesterday.

Mr. Fred Pickstone, the chairman, said that black officers faced racism from clients, courts, other criminal justice agencies, probation management and other probation staff.

He told the annual conference at Llandudno, north Wales, that the service might appear to outsiders as racist in its organization and the way it treated its clients.

The Government should create a two-tier health service in which patients pay for better quality medicine, the Institute of Directors says today.

Urging the Government not to lose its radical edge, the institute calls for more cuts in public spending and income tax.

Other proposals include privatization of almost all public services, the end of reliance on state pensions, grants for parents to buy independent school places, and compulsory purchase of idle publicly-owned land for private development.

TNT will rival Post Office on business mail

By Rodney Cowton
Transport Correspondent

Tension between TNT and the Post Office increased yesterday after the fast-growing transport company announced the start of a new service that includes the siting of post boxes on commercial premises.

TNT executives, launching the "guaranteed" service for

urgent business mail, attacked the Post Office for having lost the confidence and respect of the business community.

Mr. Chris Atkinson, general manager of TNT Overnite, the parent division of the new service, Supamail, said the British postal system was behind the times and offered an inadequate level of service. But the Post Office said

that, when add-on costs were taken into account, Supamail could be more expensive than its Datapost system, which had the best reputation.

TNT's new service involves having post boxes in the lobbies of hotels, office blocks and other commercial premises, but Mr. Atkinson said it was his objective to have a Supamail postbox "on every major street corner in Britain within 10 years".

He could not start to do this unless legislation was passed to break the Post Office's monopoly on mail services, but there were many areas, such as parcels and courier services, where the Post Office did not have a monopoly and the Supamail service was one.

He claimed that Post Office letter services did not offer delivery that was sufficiently reliable for urgent business post and that companies would be prepared to pay the £3 minimum charge of Supamail, which might attract 5-10 per cent of the Post Office's first-class business mail.

He said that it was the first postal system in Britain that

would guarantee delivery the next day. "We are going to challenge the monopoly of the Post Office and introduce service levels in business mail second to none."

The Post Office countered that there was nothing new in TNT, Supamail, and that Datapost had been operating an equivalent scheme since 1971.

Poll tax list secrecy will protect those in danger

By Nicholas Wood and Philip Webster

The Government is close to announcing changes to its poll tax legislation aimed at protecting vulnerable groups in the community from persecution.

Under plans being completed by ministers, groups such as battered wives and political refugees will be given the right to have their names kept off the publicly available community charge register.

Instead, they will be entitled to put their names on an unpublished register, similar to the ex-directory system for telephone users.

The move comes as a Conservative backbench campaign to introduce the community charge in 1990, rather than phase it in as the Government plans, gathers strength.

Mr. Nicholas Ridley, Secretary of State for the Environment, who has always been in favour of a one-off introduction but was defeated after a long Cabinet wrangle, has been given further strong support in his efforts to reopen the issue.

As Mr. Ridley planned to take his arguments before a Cabinet committee it was disclosed that the Conservatives' powerful national local government advisory committee has unanimously backed proposals for a single introduction.

The committee, made up of Conservative representatives from the three main local authority associations and

members of the party's regional organizations, decided at its quarterly meeting in Coventry that the poll tax "should be brought in at the earliest possible moment".

That decision, and the strong backing given by the Conservative conference in Blackpool to the idea, has encouraged Conservative MPs to begin organizing a campaign to help Mr. Ridley in his Cabinet endeavours.

Mr. Ridley, it was learnt yesterday, is to be called before the Conservative backbench environment committee next Thursday to hear the views of MPs about phasing or one-off introduction.

He and his ministerial colleagues still believe that their best hope of changing the phasing plans is to allow local councils the discretion to decide whether to phase in the poll tax.

But that solution is not popular with the senior backbenchers who are pushing for a one-off introduction. Mr. Ridley is expected to encounter a party deeply split over phasing.

He lost a long argument in the Cabinet committee, with the Prime Minister lining up on the side of the phasers. The plan is for the charge to be introduced over four years.

Any moves to drop phasing will be bitterly resisted by MPs in London and the home counties which face big increases in rate bills if there is a single introduction.



A local authority and a bank are to perform a *pas de deux* to fund a new production of *Swan Lake* by the London Festival Ballet (Our Arts Correspondent writes).

Bradford City Council and the National Westminster Bank are collaborating to finance an interpretation of the Tchaikovsky classic to be staged and choreographed by Russian prima ballerina Natalia Makarova. At the Alhambra Theatre in Bradford yesterday, where the new production will be given its world premiere in April, Miss Makarova, photographed above with Mr. Peter Schaufuss, artistic director of the London Festival Ballet, said she was looking forward to the undertaking.

Thatcher rejects space plea

By Sheila Gunn, Political Staff

Mrs. Margaret Thatcher denied last night that the Government was withdrawing Britain from the space race and insisted that it will continue to take part in European space projects.

However she appeared to reject the advice of her new think tank on research and development, the Advisory Council on Science and Technology, either to increase Britain's contribution to the European Space Agency or opt out completely.

A future looks certain in the Commons as a group of Conservative backbenchers signed a protest last night against the Government's "stop-go attitude" towards space ventures.

Both the Prime Minister and Mr. John Wakeham, Leader of the Commons, confirmed that there would be no increase in the £112 million annual space budget.

Mrs. Thatcher said: "Subject to overall funding constraints, the Government will continue to collaborate on cost-effective space ventures both within the programmes of the European Space Agency and where appropriate, under separate bilateral and multilateral initiatives with European countries."

Mr. Wakeham, under attack in the Commons for the lack of Government policy on space, made clear that there would be no increase in spending. The Government was considering further draft proposals from the European Space Agency, he said.

Mrs. Thatcher and Mr. Kenneth Clarke, Secretary of State for Trade and Industry, are known to be "unenthusiastic about space" and particularly about some proposals of the European Space Agency.

Mr. Clarke last week decided the agency as "a highly expensive club with an over-ambitious programme". He is expected to reject proposals to increase Britain's subscription to the agency from £112 million to £300 million at the European Council of Ministers meeting on November 9.

Instead, Mr. Clarke is likely to maintain the present involvement. His predecessor, Sir Geoffrey Pattie, the former trade and industry minister responsible for space policy, said last night: "I would agree very much with the Advisory Council on Science and Technology that to continue at the present level is the worst of all worlds because the present level has continued for some years now and its purchasing power has diminished."

"Also, with a new programme coming along, it seems we will be a member of, in Mr. Clarke's words 'the club', but unable to buy any drinks."

Mr. Neil Kinnock, the Labour leader, condemned the Government's "lack of foresight" in space research and demanded a statement from the Government.

Overseas aid

The chief priority of Britain's aid budget must be the creation of an economic climate in which the poorest countries of the Third World can develop, Mr. Chris Patten, the Minister for Overseas Development, said yesterday.

Mr. Patten was presenting the Government's response to the foreign affairs select committee report on British aid earlier this year.

The committee had accused the Government of neglecting the world's poor in favour of British commercial interests abroad. The response document, released at a press conference, is the Government's definitive statement on aid policy. It sidesteps the committee's request for an increase in overall aid. However, it is understood Mr. Patten has this week been arguing with the Treasury over this in the annual spending review.

The Government reply also rejects another main recommendation by the committee, that the aid-trade provision should henceforth come from the budget of the Department of Trade.

However it does show the Government is looking at future aid measures that will directly help the poorest people. The Government is pushing the International Monetary Fund and World Bank to protect the most vulnerable sectors of society when economic austerity programmes are devised.

The document says the Government has been discussing with other industrialized nations "performance indicators", which would monitor life expectancy and infant mortality so that the effects of aid and adjustment schemes can be more closely supervised.

Mr. Patten rejected the notion that the various elements of the aid programme, which included the humanitarian impulse and a desire to advance British commercial and political interests, could be separated. He said: "The aim is to promote sustainable economic and social progress and alleviate poverty in developing countries."

The Government did not recognize the potential conflict of priorities which the committee had outlined. Mr. Patten said: "The fact that aid may also bring commercial benefits to Britain should be regarded as a perfectly legitimate bonus."

Other priorities, Mr. Patten said, were concern for the environment and improved access to Western markets for the Third World.

"We are in the van in pressing for the elimination of agricultural subsidies and protectionism; the World Bank has estimated convincingly that the agricultural policies (of the developed nations) cost the aid recipients over £12 billion a year, far more than any conceivable increase in aid."

Firms to receive designer lifeline

By Nicholas Wood
Political Correspondent

Hard-pressed companies in the inner cities and the north of England are to be thrown a "designer" lifeline by the Government as part of the Prime Minister's crusade to bring jobs and prosperity to run-down areas.

Ministers are planning a big expansion of schemes under which companies can receive state cash to help pay for flying squads of outside consultants to advise them on design, marketing and product quality. They are also considering adding managerial advice to the menu of cut-rate back-up services.

The planned changes, being implemented by Mr. John Birtcher, an Under Secretary at the Department of Trade and Industry, are among the first fruits of the departmental shake-up being pushed through by Lord Young of Grafton, the Secretary of State.

He wants the department to concentrate its energies on helping British companies become more competitive rather than acting as a casualty-clearing station for lame ducks.

It was also disclosed yesterday that Lord Young, as part of the public spending round nearing completion, has won Treasury agreement to injecting greater flexibility into how he uses his £1.1 billion budget.

That appears to pave the way to channelling more money and resources into increasing the level of expert support available to companies.

Ministers have been shaken to find that the inequity of many leading British designers is being exploited principally by overseas companies. For instance, the 1986 camera of the year, the Japanese Minolta 7,000, was designed by Mr. Nick Butler, of BBK, and most of those working for the design teams of the BMW and Audi car firms are British trained.

The new approach was foreshadowed yesterday by Mr. Kenneth Clarke, Lord Young's Cabinet level deputy at the department.

Shortage of labour forecast

A critical shortage of young people as recruits to the labour market is forecast today by the Institute of Manpower Studies (Our Employment Affairs Correspondent writes).

Demographic change will produce a decline in the number of school-leavers from a peak of one million in 1982 to 650,000 in 1993, according to the institute's review, *Manpower Policy and Practice*.

Of those, only one in three will enter higher education and among the remainder less than half will have qualifications equivalent or better than one O level.

The implications of the shortage are that by the early 1990s, the health service could require one in three school leavers. In the service sector, one bank now places 5,000 or more school-leavers a year.

If employers are to avoid severe skill shortages, the review says, they must become more flexible in their recruitment practices.

Resistance International
102, Avenue des Champs Elysée 75008 PARIS (France)
APPEAL

By signing the agreement in Guatemala, the Sandinistas have taken responsibility for the democratization of Nicaragua.

Unfortunately, there are all too many examples of non-fulfilment of treaty obligations in the history of relations between the democratic world and Communist governments. In spite of this, we are prepared to consider the Guatemala agreement as a last chance for the Sandinistas to win the respect of democratic nations worldwide.

But the Sandinista government must do something it has never done before: that is to follow through on these commitments completely and permanently. It must abandon forever its attempts to deceive world public opinion, as well as stop all types of political and social repression that have characterized Sandinista rule since the revolution in 1979.

Finally, it must normalize its relations with all democratic nations. Democratic nations around the world are watching anxiously, but with some hope, the situation in Nicaragua.

AUSTRIA

Andreas Khöl (Director of Political Academy of ÖVP, Member of Parliament)
Simon Wiesenthal (President of the Documentation Centre on the Persecution of Jews During the Nazi Regime).

BELGIUM

General Robert Close (Senator)
Albert Guerisse (President of the Union of the Resistance and Internment)
Dr. Joseph Luns (Former General Secretary to NATO)
Von Mach (Member of Resistance, Former European Civil Servant)
Antony de Meeus (Editor of "Cahiers du Samizdat")

SPAIN

Xavier Domingo (Journalist, Writer)
Fernando Sanchez-Drago (Journalist, Writer)
José María Gironella (Writer)
Alberto Miguez (Journalist)
Pedro Paramo (Journalist)
Armando Valladares

FRANCE

Tsenko Barel (President of the Bulgarian Liberation Movement)
Léon Boublier (President of the International Union of the Resistance and Internment)
Jean Marie Daillet (Vice-President of the CDS)
General Delaunay
Dominique Desanti (Writer)
Jean Toussaint Desanti (Teacher, Philosopher)
Monique Garnier-Langon (Vice President of the EJS)
Marek Halter (Writer)
Eugène Ionesco (Playwright, Member of the Académie Française)
Robert Jaulin (Ethnologist)
Edouard Kuznetsov
Armand Maloumian
Vladimir Maximov
Jacques Miquel (Barrister)

GREAT BRITAIN

Lord Nicolas Bethell (Member of the European Parliament)
Vladimir Bukovski
Robert Conquest (Historian)
Brian Crozier (Journalist)
Melvin Lasky (Writer, Journalist, Editor of "Encounter")
Jeffrey Stuart Smith (Director of the Institute of Political Investigations)

ITALY

Renato Mieli (Politologist, International Political Reporter)
Luciano Pellicani (Director of the Socialist Review "Mondo Operaio")
Flamino Piccoli (President of the International Union for Christian Democrats, President of the Commission of the Italian Parliament for Foreign Affairs)
Giacchino Santanche (International Institute of Sociology)
Domenico Settembrini (Professor at the University of Pisa, Writer)
Antonio Stango (Radical Party)

LUXEMBOURG

Marcelle Lertz-Cornette (European Parliament Delegate)

NORWAY

Frank Bjerkholt (Journalist, Head of the Department for Foreign Affairs on the "Morgenbladet")
Tore Stubberud (Writer, Journalist, Editor)

WEST GERMANY

Hainer Geissler (General Secretary to the Christian Democratic Party)
Nikolaus Lobkowicz (Rector of the Catholic University of Eichstätt)
Prof. Dr. Bruno Heck (President of the Konrad Adenauer Foundation)
Gerhard Löwenthal (Member of Editorial Staff of ZDF)
Erwin Scheuch (Professor of Sociology at Cologne University)
Graf Ludwig Franz Stauffenberg (Member of The European Parliament)
Dr. Norbert Blum (Minister of Employment)

Snails from the dales tempt French palates

With just a little help from the Government and a plentiful supply of self-confidence, Mr. Robert Arnold is about to perform a Gallic version of taking coqs to Newcastle (Peter Davenport writes).

From his small factory in the Yorkshire dales he is preparing to export escargots to France.

Mr. Arnold, aged 42, has several thousand large African land snails in glass tanks and by next year he expects to be producing half a million a year with a turnover of £80,000.

He launched Escargots UN Ltd with £10,000 life savings and redundancy money from his job as manager of an outdoor activity centre, plus

£40 a week from the Enterprise Allowance scheme, and yesterday his wares went on show at an exhibition of food and drink in York.

He has already attracted thousands of pounds in orders. Harrods is among those interested, but he has been most surprised by a potential order from France for 10,000 snails a week.

"Apparently there is such a demand there that they used to import from eastern Europe, but following the Chernobyl disaster that has been stopped and so there is a gap in the market", he said.

He feeds his molluscs on pigment and vegetables, and says it takes four months to raise a snail.

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EX BONDED FREIGHT WAREHOUSE. AGENTS MIA CODE 60-0055-0004
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DOCUMENTS ON MAY 1287 NOW ORDERED FOR PUBLIC AUCTION
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REALIZATION. LAST 5 BALES REMOVED FROM CUSTOMS AND EXCISE
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Wrong diagnosis of sex abuse on sisters 'devastated family'

By Peter Davenport

An incorrect diagnosis of sexual abuse on two young sisters, one of them brain-damaged, had a catastrophic and devastating effect on an innocent family, a judge said yesterday.

It labelled their father as a monster who preyed on his children. The judge also blamed the diagnosis for ending the marriage.

Judge Myrle Cohen, QC, sitting in the High Court in Middlesbrough, yesterday accused the two doctors involved, the consultant paediatrician Dr Marietta Higgs and Dr Geoffrey Wyatt, of gross negligence, inadequacy and incompetence.

The case had been heard in camera but the judge said she wanted to deliver her verdict in open court in the hope of convincing the mother that her husband was innocent.

The two doctors were in court to hear the judgement.

Their diagnoses convinced the man's wife that he had preyed upon their brain-damaged daughter, aged four, and her sister, aged two, the judge said.

However she told the court: "The father leaves this court without any stain on his character. I find as a fact that the children have not been sexually abused."

"The devastating result of all this, the great human tragedy, is that the mother has convinced herself that her husband is guilty."

"I am giving my decision in open court because I am trying to convince her of what I say."

The order for the family began on June 5 when the older child went for a check-up at Middlesbrough General Hospital and was tested for

possible sexual abuse, first by Dr Wyatt and then by Dr Higgs.

Her sister was then sent for and also examined and diagnosed as being sexually abused after being woken from her hospital bed after midnight.

The findings of the two consultants were rejected by the judge who said they were unable to produce any reliable detailed medical reports.

She told them: "The procedures were far below the

● Dr Wyatt calls it rather unfortunate. I call it gross negligence ●

standards of care and efficiency one expects and demands in our hospitals, so far below that it amounts to inadequacy and incompetence."

Judge Cohen said that the doctors had examined so many children for sexual abuse that it was impossible to remember individual cases.

The test used by the two consultants to determine sexual abuse, reflex anal dilatation, was, she said, new and controversial.

"Whether that theory is correct or not, because it is new and because it is controversial, it is necessary to look at the evidence with extreme care and to examine not only it but all the relevant documentation. Dr Higgs made no records or notes of her findings. Dr Wyatt made sketchy notes three days later."

"Their evidence is unreliable and useless. I can think of no case where it is more

important for records to be accurately kept."

"Dr Wyatt calls it rather unfortunate. I call it gross negligence."

The judge ordered that the children be made wards of court but asked a new social worker to be appointed to help towards a possible reconciliation and to arrange access for the 32-year-old father.

He moved out of the family home on June 11 to prevent the children being taken into care. He did not see them again for 10 weeks and then only under supervision.

The judge added: "The devastating result of all this, and I make no secret of the fact that I cannot think of a worse result, is that a great human tragedy followed this sequence of events."

"We have now reached the stage when a mother has convinced herself her husband has been guilty of sexual abuse."

She added: "She has convinced her family and I suspect her neighbours as well. So far as they are concerned the husband is now labelled a monster who would sexually abuse a mentally handicapped child."

In August another judge sitting in the High Court in Middlesbrough criticized Dr Wyatt after allowing two sisters and their brother, taken from their home in Cleveland because of suspicion of sexual abuse, to go back to their parents.

Judge Cohen ordered that her findings be sent to the judicial inquiry into the Cleveland sexual abuse controversy. The inquiry is sitting at the town hall in Middlesbrough.



The Duchess of York talking to Sarah McKay, aged five, who gave her a paper bouquet when she opened accommodation for child cancer victims' parents at St Bartholomew's Hospital, London, yesterday (Photograph: Denzil McNeelance).

Father 'offered daughter for a friend to abuse'

A father of three offered his own daughter, aged seven, to a friend to abuse sexually, the Central Criminal Court was told yesterday.

He told the man, aged 33, that he had "got the girl well-trained" the jury was told.

The man, who has confessed in court that he twice indecently assaulted another youngster, told the court of sexual abuse sessions with

two small girls which he had witnessed. He admitted joining in with an older girl, then aged 12.

He explained that he was staying with the father of the girl aged seven and had asked him what the public houses were like in his area.

He added: "He said he did not go but he got his fun at home. He said he would show me what he meant when his

wife went out. He said he had got one of his children well trained. He had three girls."

The man, who cannot be named for legal reasons, was giving evidence for the prosecution in which two brothers and a third man are accused of a series of sexual abuse offences involving five children, which they have denied.

The witness, Mr X, is due to

be sentenced for the two offences he has admitted after the trial of the three men.

The daughter, now aged eight, gave her evidence yesterday behind a screen.

She was the last of five children to give evidence without having to face their alleged attackers.

The hearing continues today.

Soviet exile poet wins Nobel prize

By Philip Howard, Literary Editor

The 1987 Nobel Prize for Literature has been awarded to Joseph Brodsky, the Soviet dissident poet who has been living in exile in the United States for the past 15 years.

Before his expulsion he was a mass cult figure in the Soviet Union, where poetry is taken more seriously than in most countries, and literature is a common medium of protest. Aged 47, he is one of the youngest Nobel laureates.

Brodsky, who is staying in London at the moment, is a Jew from Leningrad, where he was the leading star in the group of literary loosely known as "beatnik". He dropped out of school at 15 and worked as a stoker, a metal worker, and manual labourer.

He gave public declamations of his work and circulated it in early samizdat form. Radicalized in part by the Soviet suppression of the Hungarian uprising of 1956, Brodsky made his rebellious declaration of independence:

Isn't that a sign of our arrival in a wholly new but doleful world? In fact, a proven truth, to be precise, is not a truth at all — it's just a sum of proofs. But now, what's said is "I agree," not "I believe."

The Soviet Press attacked him for corrupting youth with nihilistic, pessimistic, and pornographic verse. In 1964 he was sentenced to five years' hard labour in Archangel as a "social parasite" and for writing poetry without a licence. He was released early after widespread protests. In 1972 he suddenly appeared in Vienna, having been advised by the police to leave Russia.

He came unwillingly and subsequently went to the United States. He is now a US

citizen and lives in New York, where he still writes and gives readings, holding jobs in a number of universities, and campaigning against censorship in the eastern bloc.

He has taught himself English and Polish well enough to do translation and some writing. In 1981 he was awarded a \$40,000 MacArthur Foundation grant.

Brodsky is a major poet. His work is cerebral and refined, in the school of Mandelstam, Akhmatova, and Tsvetayeva, as opposed to the chatty, pop work of Yevtushenko and Voznesensky. A constant theme is the contrast between the bleakness of life and the brilliance of language. He is widely translated; but to give its full power his poetry needs the dense rhythms, complex rhyme schemes, and unusual word combinations of his Russian texts.

His latest collection in translation, containing poems written in exile, is called *A Part of Speech*, published in 1980. A volume of essays, *Less Than One*, won the US National Book Critics Award for criticism in 1986. In one of his recent poems Brodsky compares a writer in exile to a creature who:

Survives like a fish in the sand: crawls off into the bush, and getting up on crooked legs, walks away (his tracks like a line of writing) into the heart of the continent.

Announcing the award, the Swedish Academy praised Brodsky's poetry for its "great breadth" in time and space.

An elated Brodsky said in London yesterday that he hoped the award would promote wider knowledge of Russian poetry and help the Soviet liberalization process.

Three men blamed for 'holocaust'

The three men accused of the Fordingbridge house raid murders planned the "holocaust" together, it was alleged yesterday.

"This catharsis, this holocaust, was all planned by the three of them, all together. There was a plan which was already worked out before ever this gang arrived at Burgate House", Mr David Elfer, QC, for the prosecution, said at Winchester Crown Court.

George Stephenson, aged 36, of Elgar Road, Coventry, John Daly, aged 21, and his brother, George, aged 25, both of Deadmore Road, Coventry, deny murdering five members of the Cleaver family. All three are also accused of rape and robbery, which John Daly has admitted but the other two deny.

Mr Elfer, in his closing speech, described each of the three alleged killers. Stephenson was "callous and conscienceless", George Daly was a man who stole even from fellow criminals, and John Daly had tried to reassure the victims in their last moments that everything was going to be all right when he knew very well that was not the case.

Mr Elfer said there could be "no more awful end" than the final moments of those who were burnt alive. "And what about Wendy Cleaver? Raped, beaten and finally treated, and finally strangled."

"What does it tell you about their state of mind?" he asked, referring to the three accused.

He concluded: "Is there one of them not guilty of robbery? Is there one of them not guilty of rape? And is there one of them who was not a party to the mayhem, carnage and murders which took place in Burgate House?"

The trial continues today.

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Balletomania grips buyers

By Sarah Jane Checkland
Art Market Correspondent

The newly-opened Theatre Museum at Covent Garden, central London, paid the top price of £20,000 for a 1916 costume by Leon Bakst at Sotheby's ballet sale yesterday.



Portrait of Mrs Wallis Simpson by an unknown photographer, which is being sold at Sotheby's today.

SALEROOM

The costume was originally designed for Olga Khokhlova, shortly before she became Picasso's first wife, for her part as Felicia in *Les Femmes de Bonne Humeur*.

The Australian National Gallery bought the much-publicized Nijinsky costume for £6,600 (estimate £6,000 to £8,000), a relatively modest price probably due to the questions raised about its quality in the theatre world this week. One critic said: "So tatty, Nijinsky would never have demeaned himself to get into it."

However Miss Sarah Woodcock, costume specialist at the Theatre Museum, defended it, pointing out the validity of its original label. She said that while the costume might be inferior to that at the Theatre Museum, it was still the real thing.

The Australian National Gallery has built up an important collection of balletomania, mainly due to the influence of the late dancer, Sir Robert Helpmann.

At Christie's, the momentous of Cossack Russia collected by Alexandre Sementchenko all sold well.

Sementchenko, a Cossack who fled to France and spent the rest of his life collecting books and works of art, was also a friend to members of the Diaghilev Ballet.

The Sothern Gallery, which was active at the sale, paid the highest price of £10,450 (estimate £4,000 to £6,000) for a map of St Petersburg with its famous views.

Meanwhile, the Scottish National Gallery announced the purchase of its first Danish School painting with the help from the National Art Collections Fund. The painting, a family scene by Emilie Ditlev Baerentzen, dated 1827, was bought from the dealers, the Artemis Group, for £20,000.

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October 22 1987

PARLIAMENT

Market fall 'not too bad'

The great majority of British shareholders had reacted to the recent ups and downs of the stock market with probably more steadiness than the professionals. Mr John Taylor (Solihull, C) said, to laughter from Opposition MPs, during questions to the Prime Minister.

Mrs Thatcher said that the United Kingdom had been swept up in the problems which had begun on Wall Street and affected markets all around the world, but prices in London had fallen only as far as levels reached earlier this year. When she came into the chamber, the FT 30 Share Index stood at 1407; she could remember a time, under a Labour government, when it stood at 147.

Mr Rhodri Morgan (Cardiff West, Lab) asked later if cancellation of the advertising programme for the BP share privatization meant that the Government recognized that small investors should stay out of the issue.

Mrs Thatcher: There is little that I can say about the issue, which is a matter for the Labour government, for the prospects.

Westminster guns attacked

The gun club at the Palace of Westminster should be closed down, Mr Allan Roberts (Bottle, Lab) asserted during business questions.

He said that before any debate on security in the House, Mr John Wakeham, Leader of the Commons, should prepare a report on the club and the shooting range.

MPs should be told how they were brought in and out of Westminster, and whose research assistants were allowed to have guns and to belong to the club.

Mr Wakeham said that he could not accept what Mr Roberts had said. "I have looked into them (the shooting facilities) to see that adequate security precautions are taken in this matter, which has been going on for a number of years in the House. But one would be concerned indeed if there were any abuse. I will look at it again to see if anything needs to be done."

Space study help needed

There was deep and justified concern among the scientific and technical community about the Government's lack of foresight in space research, Mr Neil Kinnock, Leader of the Opposition, said during questions about next week's business. He and other MPs asked for a Government statement on its attitude to this research.

Mr John Wakeham, Leader of the Commons, said that the Government had already decided not to increase Britain's civil space expenditure. The Government was considering further draft proposals from the European Space Agency, and so could Mr Kenneth Clarke, Minister for Trade and Industry, would find an opportunity to report to the House as soon as possible.

Caution on storm claims

The Government should be cautious in its reaction to claims from farmers over damage caused by last week's storms and not give special treatment, Mr Andrew Hunter (Basingstoke, C) said during questions.

Responsible farmers, he asserted to Conservative cheers, would have been adequately insured. And not only farmers had suffered in the severe weather.

Mr Donald Thompson, Parliamentary Secretary for Agriculture, Fisheries and Food, agreed. It was a point he felt would be echoed again and again in coming weeks.

Party cash

The estimated additional costs of policing the Labour Conference in Brighton were £23,000 and of the Conservative Conference in Blackpool, £829,000, Mr Douglas Hogg, Under Secretary of State, Home Office, said in a Commons written reply.

Thatcher defends S Africa stance

Mr Neil Kinnock, Leader of the Opposition, accused the Prime Minister of using her political power to protect apartheid and was in turn accused by Mrs Thatcher of wanting to throw black South Africans out of work by the use of sanctions.

The sharp exchanges came after the Prime Minister had summarized the conclusions of the Commonwealth conference.

There were cries of "Shame" from Labour MPs when she said that a conference statement on South Africa represented "no significant change from the position reached at the Commonwealth meetings in Nassau in 1985 and in London last year."

She finally expressed her gratitude to the Canadian Government and Prime Minister, Mr Mulroney, who had chaired the meeting, for the useful and productive work which had been done.

"The Commonwealth tolerates many points of view," she said. "The genuine differences within it over the best way to help to get rid of apartheid should not obscure the very valuable contribution which the organization continues to make to the wellbeing of its members."

Mr Kinnock associated himself with the Prime Minister's hope for a return of Fiji to democracy and to the Commonwealth.

About Southern Africa, she had said that she considered aid to the frontline states to be action to reduce their dependence on South Africa. "So will she tell us why bilateral aid to them has been cut by 40 per cent by her Government since 1980?"

"Does her press conference about the African National Congress mean that she will forbid further talk between the Government and the ANC? Will she tell us why and when she changed the policy?"

She has rightly imposed sanctions against countries because of their aggression or because they have sponsored terrorism. "On that basis,

why does she not strengthen sanctions against South Africa, or is it her view that attacks against the front line states do not count, that sponsorship of attacks against Angola, Mozambique and Zimbabwe does not count; that torture and killing of children in South Africa does not count?"

"Following the heads of government meeting, white South African politicians and press see her as an ally of apartheid (Labour cheers). It is now impossible to believe her declaration against apartheid when she systematically uses all her political power to protect apartheid."

Mrs Thatcher: Mr Kinnock talked of bilateral aid, but increasingly aid

goes through multilateral channels, through Europe, the World Bank and special agencies. That must be taken into account."

Chief Buthelezi, head of the largest black nation in southern Africa, had said: "We blacks are paying the price for sanctions and disinvestment." Mrs Helen Suzman had said that sanctions were ineffective and counter-productive. Mr Alan Paton, author of *Cry the Beloved Country*, had called sanctions "ill advised".

On the ANC, Mr Oliver Tambo had said at a press conference in the House some time ago that they would step up the struggle, that the ANC would embrace violence and that it

would intensify. They would go to every possible length, he had said, to destroy apartheid, escalating the armed struggle, and they could not avoid the use of guns.

"We disapprove the use of guns to solve this problem," (Labour interjections). The Foreign Secretary said so to the ANC when, as president of the European Council of Ministers, he saw them - only in that capacity (Labour protests).

"Mr Kinnock wants, by the use of sanctions, to throw as many black South Africans as possible out of work, knowing full well that there is no social security and that they will face deprivation and starvation,"

Trident leasing rumour denied

Rumours that Britain would be leasing or hiring Trident missiles from the United States rather than buying them were dismissed as "absolute nonsense" by Sir Geoffrey Howe, Secretary of State for Foreign and Commonwealth Affairs, in the Commons.

Responding to interventions from the Opposition benches, he said: "We shall be buying the missiles outright and they will remain ours."

The issue was first raised, during a debate on the Arms Control and Disarmament (Privileges and Immunities) Bill, by Mr Tam Dalyell (Linlithgow, Lab). He asked whether there was any truth in the rumour that Britain would be hiring nuclear weapons from the United States.

Sir Geoffrey said that there was no substance in the rumours. "The idea that we will not own, or would only be leasing or hiring Trident missiles, is absolute nonsense. We shall buy them outright and they will remain ours."

Servicing would be carried out every seven or eight years in the United States. There was no substance whatever in the proposition put forward.

Mr Dennis Davies, chief Opposition spokesman on defence and disarmament, asked whether the weapons would be numbered as "Maggie One" and "Maggie Two" - (laughter) - and if the same ones, or others, would be sent back after servicing.

Sir Geoffrey said that the weapons would need servicing every seven or eight years. That would need to be done in the

DEFENCE

United States under arrangements already made public by the Government.

During that process, the missiles would be stripped down and a number of parts replaced, but the same missiles would be coming back. Britain would continue to have the same number of missiles.

"We shall be buying the missiles outright and they will remain ours. The idea that we shall not own, or will only be leasing, Trident missiles is nonsense."

Mr Alan Beith (Berwick-upon-Tweed, L) said that, at any time, it was within the capacity of the United States not to provide the missiles and therefore the deterrent was not independent at all.

Sir Geoffrey said that the scale and pattern of repair and replacement of components could vary from very limited to virtually complete. But Britain would continue to own the same number of missiles at all times. They would not be leasing any missiles. The servicing arrangements had been announced some time ago.

Moving the second reading of the Bill, Sir Geoffrey said that its purpose was to confer appropriate immunities on people engaged in verification activities under last year's Stockholm Accord on confidence-building, and disarmament in Europe and to make similar provision for future arms control agreements, such as the INF agreement now in prospect.

'Violence is not the answer'

The Prime Minister criticized her fellow heads of Commonwealth governments for their refusal to acknowledge in the Vancouver communiqué the considerable help that Britain gave to the frontline states in Africa.

During noisy supplementary exchanges after her statement to the Vancouver meeting, Mrs Thatcher strongly condemned apartheid and defended her stance against sanctions.

After her exchanges with Mr Kinnock, Mr David Howell (Guildford, C) said that she was entirely right to condemn and criticize the role of the ANC.

"The ANC is an organization

British Government policy is the way to get rid of apartheid fastest

which notably failed to condemn the monstrous torture of necklace burning murders. Others who want to defeat and overcome apartheid should listen to the voice of Iankhata, which represents millions of black South Africans, who want to see more prosperity and investment."

Mrs Thatcher: The way we are going is the way which will get rid of apartheid fastest. Violence is not the way to solve the problem. We condemn it wherever it occurs.

Mr Bernie Grant (Tottenham, Lab) began shouting remarks. The Speaker (Mr Bernard Weatherill): Order. It is no good shouting across the Chamber.

Mrs Thatcher: We condemn violence and help the frontline states with security against any incursions. We approve the negotiation set up by the Eminent Persons Group against a background of the suspension of violence.

Mr David Steel, leader of the Liberal Party, said that the Commonwealth found it difficult to tolerate her rejection of the findings of the Eminent Persons Group, which she herself had helped to set up.

She gave offence not only to the new Commonwealth but also to old Commonwealth friends, to Australia and New Zealand and her host, Canada, whose trade figures she disgracefully abused by not quoting the up-to-date ones.

She caused offence by using the Downing Street press machine to give distorted accounts of what was going on.

If she were left to organize coffee breaks, on a matter of principle it would be 48 coffees to one tea.

"This meeting represented a defeat for British diplomacy, for what her ministers have been doing for dialogue with the ANC and the abandonment of British leadership in the Commonwealth."

Mrs Thatcher said that she endorsed the concept defined by the Eminent Persons Group. That concept was genuine negotiations with people of all views and opinions in South Africa against a background of the suspension of violence.

The trade figures were published by the International Monetary Fund. There were no figures yet for 1987. It was not over. Of course there no figures.

"They were figures published by the IMF and what some people could not stand was that they were accurate."



Mrs Margaret Thatcher: Amnesty International has sharp criticisms about some Commonwealth countries.

Mr John Marshall (Hendon South, C) said that many countries which criticized Britain's attitude to South Africa had themselves been criticized for their internal policies by Amnesty International.

Mrs Thatcher replied that the Commonwealth had many dif-

We are helping the frontline states with their security needs

ferent kinds of countries in it, not all of them famed for their human rights.

There were four military governments in the Commonwealth and certainly Amnesty International had made some very sharp criticisms about some of those countries.

It was noticeable that even those who said that they believed in sanctions had not put on a single extra sanction.

They were aware, although they refused to acknowledge it in the communiqué, of the considerable amount of help Britain gave to frontline states on security matters, in aid and also to places beyond the Commonwealth, such as Mozambique where Britain helped with food problems.

Britain was giving aid to two railway lines giving frontline states an alternative line out to the sea so that they did not have to go out through South Africa. They had refused to mention that in the communiqué.

Mr Michael Foot (Blaenau Gwent, Lab) asked if she had given her direct authority for the release of the trade figures.

Would it not be better to save such methods for internal use in this country rather than taking them abroad?

On violence, was she trying to

claim that her views coincided with those given by the Minister of State for Foreign Affairs after her meeting with representatives of the ANC?

Mrs Thatcher expressed surprise that he reacted so strongly to straightforward international figures of trade. The 1987 figures were not available for very obvious reasons.

With regard to the ANC, Britain condemned an organization that practised violence.

Sir Ian Lloyd (Havant, C) said that she enjoyed massive support throughout the country from those who were not only strenuous opponents of apartheid but who were also friends of South Africa.

So many of the heads of



Mr David Howell: "Prime Minister is entirely right".

government of the Commonwealth did not realize that the battleground had changed. It was no longer a controversy over the merits of apartheid which would only be defended by a lunatic fringe.

It had to be removed from South Africa without causing immense damage to the economy which must survive the process.

Mrs Thatcher said that the only way of getting a higher standard of living, of education and of housing for all the people

of South Africa was by improving industry and commerce there.

There was no way one could do it by creating an economic wasteland in that country. Some people were hoping to cause an economic wasteland. They would like to cause unemployment among black South Africans. "That is not our way. That is not our policy."

Mr Jack Ashley (Stoke-on-Trent South, Lab) said the Prime Minister had described very limited measures as a signal to South Africa. What further signals was she sending?

Mrs Thatcher said that "signal" was the word used after the Nassau conference.

First, there was the help Britain gave to training the armed forces of Zimbabwe. Second, the help it gave to training some of Mozambique's forces in the same way.

Third, there was the £50 million allocated to Mozambique which was greatly in need of help. The Soviet Union tended to send arms and Britain to send food.

Fourth, there was the aid given to frontline states and, fifth, the help to build railway lines to create other routes so that frontline states did not have to get imports and exports through South Africa.

Mr Robert MacLennan, leader of the SDP, said that Britain's trade with South Africa constituted only 26 per cent of its trade with Africa as a whole.

It might be wise to bear in mind, for British interests, the views of other countries on sanctions with which Britain traded.

Would she welcome an increase in Britain's trade with South Africa and any diminution of trade which might flow from the extension of sanctions by other countries?

Mrs Thatcher said that he asked her to take note of the views of other African countries on sanctions.

In respect of those views, none of them had thought fit to put any extra sanctions as a result of the meeting. It was a talking communique.

They had very understandable reasons for doing that. It would damage the people in their own countries.

"We have good civil trade with South Africa. South Africa has the best man and the most prosperous economy in the whole of Africa" (protests).

That was recognized by many other black Africans of whom one million went there for jobs which were better and better paid and remitted the money to their families in other South African countries.

Mr John Carlisle (Luton North, C) criticized what he called a bunch of third world leaders - who could not tell this country anything about the

Not all Commonwealth countries are famed for human rights

basis of human rights - for insulting and pillorying a British Prime Minister, who had been splendid in her isolation in Vancouver (Conservative cheers and Labour laughter).

The money those countries received in aid ought instead to be given to the black leaders in South Africa, whom Labour MPs supported.

Mrs Thatcher said that she found it a little bit difficult when those African leaders refused to put in the conference communiqué an acknowledgement of what they knew of the very considerable aid they received.

Parliament

Business next week

The main business in the House of Commons next week will be:

Monday: Debates on Opposition motions on the possession and use of firearms and on consultations on the Government's education proposals.

Tuesday and Wednesday: Debate on the defence estimates.

Thursday: Resumed debate on second reading of the Scottish Development Agency Bill.

Friday: Debate on renewable sources of energy.

The main business in the House of Lords will be:

Monday and Tuesday: Criminal Justice Bill, committee, third and fourth days.

Wednesday: Debates on the disabled and on Britain's air defences.

Thursday: Criminal Justice Bill, committee, fifth day.

Parliament today

Commons (9.30): Debate on the promotion of good health.

Private members' measures

MPs turn screw on secrecy

By Frances Gibb, Legal Affairs Correspondent

The Government will face three private members' Bills this session - one from each of the main parties - to reform the laws on secrecy and freedom of information.

The Bills will be introduced by Conservative, Labour and Liberal MPs, all of whom came in the top 10 places in the ballot for private members' Bills. They are:

• A Bill to replace section two of the Official Secrets Act with a tighter measure, being introduced by Mr Richard Shepherd (Conservative MP for

Aldridge-Brownhills);

• A Bill to enable patients to see reports written by doctors for insurance companies and employers, to be introduced by Mr Archy Kirkwood (Liberal MP for Roxburgh and Berwickshire) whose Access to Personal Files Bill became law just before the election;

• A Bill requiring the setting up of public registers of enforcement notices, served when breaches of the law on public safety and environmental pollution have occurred, to be introduced by Mr

Christopher Smith (Labour MP for Islington South and Finsbury).

Yesterday, Mr Des Wilson, co-chairman of the Campaign for Freedom of Information, said: "Issues of secrecy and freedom of information are being forced to the top of the House of Commons agenda by MPs of all parties."

He said he hoped the result would be "even greater consensus about the need for the Official Secrets Act to be replaced by a full Freedom of Information Act."

Success is likely for seatbelts Bill

By Martin Fletcher, Political Reporter

A Bill to make it compulsory for children to wear seatbelts in the back of cars is to be introduced in the Commons and is likely to be enacted.

Mr Stephen Day, the Tory MP who came fifth in the ballot for private members' Bills, said yesterday that his Bill had all-party support and the backing of such organizations as the RAC, the Association of Chief Police Officers, the Casualty Sur-

geons' Association and the Child Accident Prevention Trust. It is also viewed favourably by the Government.

The Bill would apply only to children of 13 and under, and to drivers whose cars are fitted with rear seatbelts. However, since April 1 this year all new cars have had to have such belts.

Mr Day, MP for Cheadle, believes that his measure

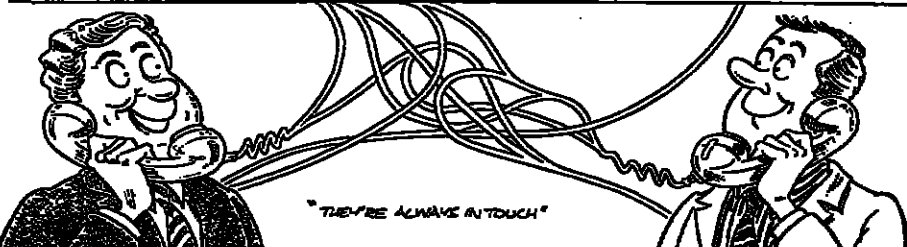
would reduce child fatalities and injuries by at least three-quarters. At present only 31 per cent of children wear rear seatbelts.

Last year, 89 per cent of children injured in road accidents were seated in the back and 91 per cent of those killed.

Similar legislation already exists in Australia, New Zealand, Canada, the United States and the Netherlands.

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Institute of Personnel Management conference

Significant change at work 'can be threatening to life'

By John Spicer, Employment Affairs Correspondent

Big changes at work are life-threatening, Dr Ann Fingret, chief medical officer at the BBC, told a debate on stress at work in Harrogate, North Yorkshire, yesterday.

Such changes were common stress events, she said. It was no longer the case that people went to work at 15 and stayed in the same job until they retired with a gold watch.

There were now six or seven important changes in everyone's working life, and it was no longer true that after one such change things settled down.

Dr Fingret, speaking at the annual conference of the Institute of Personnel Management, said that stress was measurable on a table of 42 life-changing events. If a person scored 300 points on the

scale, produced by two American researchers, there was no doubt serious physical problems would develop within two years.

The scale is headed by death of a spouse, 100 points; then divorce, 73; marital separation, 65; jail term, 63; death of close family member, 63; personal injury or illness, 53; marriage, 50; dismissal from work, 47; marital reconciliation, 45; retirement, 45.

Dr Fingret was speaking the day after the BBC said it was about to make important changes which could affect staff levels.

She told the conference that it was not satisfactory for an organization such as the BBC to say it was to cut staff, then make the staff wait six months

before being told if they were involved.

Dr Fingret said that the system of giving people one week's notice of redundancy was equally bad. It was hard for people over 40 to come to terms with such events.

Dr Fingret said that six years ago when she worked for the Yorkshire Water Authority significant changes were planned and all 6,000 members of the staff had to re-apply for their jobs. The event was disastrous for those involved, she said. One senior manager committed suicide and the decision-makers realized they were dealing with human beings and many more resources were used to make the changes easier to overcome.

Tory rule 'changed role of the unions'

The changing face of workplace relations during the past few years under a Conservative government was highlighted by Mr Douglas Smith, chairman of Acas, the conciliation service.

Mr Smith told the conference that while rare examples could be found of de-unionization and de-recognition, employers generally continued to recognize and negotiate with established trade unions.

But there were changes evident in employer-union relations, he said. "Industry-wide bargaining, multi-company and company-wide bargaining are declining, if not in decline, with shifting emphasis to localized bargaining."

"The range of matters bargained about is declining and more and more managements are planning change and seeking to secure employees' acquiescence to it, rather than bargain for its introduction."

Mr Smith said there was emerging what might be called "new company unionism", with less involvement of full-time officials at individual workplaces.

The gasman was praised by Mr Ian Powe, director of the Gas Consumer Council, the watchdog body for the newly privatized gas industry.

Mr Powe told the conference that the gasman's image had changed over the past 10 or 15 years. "To my mind he is a whole lot nicer sort of chap to have around."



The security forces helping to rescue residents of Strabane, Co Tyrone, yesterday where the Mourne burst through a wall, swept into the town and left flooding up to 8 ft deep. In some parts of the province five inches of rain fell in 24 hours.

Aerial check on ancient woodlands

By Andrew Morgan

Officials from the Nature Conservancy Council will today plan flights for the week-end over three of Britain's most ancient woodlands in the South-east to assess the worst storm damage in more than 200 years.

Intense demand for aircraft in the region has so far prevented tree specialists from flying over the national nature reserves at Ham Street woods, near Ashford, Kent, Blean woods near Canterbury and Kingley Vale, to the north-east of Chichester.

Initial reports suggest that the worst damage is at Ham

Street, which consists of mixed broadleaf deciduous trees, and at Blean where archives record flourishing woodland dating to before 1300.

Dr Tim Bines, regional officer for the South-east, said that it may be decided to allow parts of the woodland to recover naturally. "Nature may be allowed to take its course in part, with the woodland left alone to see what would happen if man's interference is reduced."

After their inspection, experts at the Nature Conservancy Council will oversee work at Blean, which covers

90 hectares, Ham Street (97 hectares) and Kingley Vale (146 hectares), which the council partly owns or leases.

Dr Bines urged landowners to consider leaving a proportion of damaged trees where they fell to provide important wildlife habitat, particularly for insects and birds, as they decay. He suggested that landowners plant three trees in places where a large one had fallen, so improving chances of regeneration. "Obviously, landowners have got to take immediate steps to remove dangerous trees and get back to normal. But it is essential to plan regeneration."

Mr Graham Downing of the Country Landowners' Association said that, while the council had a valid point in asking landowners to consider leaving decaying timber in place, they would have to consider the commercial value of fallen trees with their roots intact. Mr Harry Goring, owner of the Wiston Estate on the south Downs between Worthing and Horsham in West Sussex, yesterday estimated that it will take more than 10 years to replace the trees on his land that formed part of the ancient Chantonbury Ring woods, 75 per cent of which were destroyed in the storms.

Rail stations 'like the Wild West'

A service quality manager with British Rail said yesterday that some railway stations were "like the Wild West" with noise, dirt, stress, frustration and even fist fights.

Mr Daniel Giblin told the conference that research showed a quarter of all passengers felt harassed at stations, and only 8 per cent

thought railway staff were helpful.

Many people faced stress and anxiety at stations. They were worried about being on time and about coping with luggage and children, and thought British Rail was dirty, unhelpful, provided poor information and was unpunctual.

British Rail was engaged in a 20-year campaign to improve its image which had made some headway "but it's a long-term struggle".

Safety, reliability, time-keeping, station and train care, plus cost were all bound up by staff attitudes, he said, and the unions were much involved in working towards a better service.

Weekend food prices

Greenhouse crops hit badly by the storms

Fresh food supplies have not suffered too badly from the storms, although greenhouse crops have been hard hit and winter lettuce and the last of the tomatoes devastated.

There have been some harvesting problems with cabbage, brussels sprouts, leeks and cauliflower, and lifting potatoes has been difficult, but as there are large quantities in store a shortage is unlikely.

Already harvested apples and pears are the star fruit buys this week with coxes, spartans and russets from the orchards of England, and golden delicious and granny smiths from France and Spain all between 25 and 50p a lb.

As well as cheap English conference pears from 22p a lb there are English comice and Italian williams between 30 and 55p a lb. Italian president plums are at 40 to 60p a lb and the last of the English laxton croppers at 20 to 25p a lb. Also near the end of their season are Greek Thompson lb and Italian black grapes at 70 to 90p a lb. Avocados from 25p each and pomegranates from Spain at 20 to 30p each are excellent.

Cauliflowers are more expensive this week but some are very large. The first English greens at 20 to 30 a lb

have arrived to join the other homegrown cabbages - savoy, January king and primo, all between 20 and 30p a lb.

The best salad vegetables are round and iceberg lettuces, English and imported cherry tomatoes, Chinese leaves at 40 to 75p a head and English celery at 35 to 50p a head.

Fish arrivals at Billingsgate are surprisingly good and prices fairly stable. Good quality huss is about £1.30 a lb and small Channel whiting about £1.10 a lb. Hake is down in price from £2.25 to £3.25 a lb. Small whole grey mullet costs about £1 a lb. Cod and haddock are on average £2.40 a lb.

New Zealand lamb loin and best end chops are down 5p a lb and the equivalent English cuts down 2p to 3p a lb. Rump steak and stewing steak are down 4p to 6p a lb in some areas. Lambs' liver is an average £1.28 a lb and pigs' liver is 82p a lb.

Some meat and poultry on promotion this week are: pre-washed whole legs of pork, 99p a lb; pre-packed bacon joints, £1.29 each; Tesco fresh chicken drumsticks and thighs, 95p a lb; home-produced lamb leg, £1.59; Presto braising steak, £1.69 a lb; and frozen chicken, up to 3 1/2 lb in weight, £1.99 each.

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THE WORLD'S NO 1

Lords claim judges 'erred' in Guildford bombs case appeal

By Frances Gibb, Legal Affairs Correspondent

Two former law lords have submitted in a legal opinion to Mr Douglas Hurd, Home Secretary, that the Court of Appeal judges erred in law in their handling of an appeal by the Guildford public house bombers.

Lord Devlin and Lord Scarman maintain that the judges erred in the way they treated fresh evidence from the IRA Balcombe Street gang, which claimed that one of them, and another IRA member, had planted the bombs and not the four convicted.

They said that instead of applying the test of whether the fresh evidence was capable of belief, as required by statute, the Court of Appeal effectively usurped the function of the jury by looking at the evidence itself and then deciding it was false.

Lord Devlin said yesterday: "The point is a substantial one and likely, if established, to result in the quashing of the conviction."

The legal opinion from two of the most distinguished law lords is the strongest argument yet raised that the 1975 convictions are unsafe and unsatisfactory. It is likely to increase pressure on Mr Hurd to reach a swift decision.

Mr Jim Sharples, deputy chief constable of Avon and Somerset, who is heading the police inquiry ordered by Mr Hurd into the convictions of three Irish men and an English woman for the Guildford and Woolwich public house bombings, will interview Lord Devlin next month.

The police inquiry focused originally on the testimony of Yvonne Fox, who was not called at the trial of the Guildford four. She said in a television documentary earlier this year that she was with one of the four, Paul Hill, on the night of the Woolwich bombings.

The lords maintain that the actions of the Court of Appeal, which arose from a misunderstanding of the law, effectively deprived the defendants of their constitutional right to have the evidence reviewed by a jury and also of a proper avenue of appeal.

Instead the Court of Appeal should have examined the evidence and, if it held that it was credible or "capable of belief", ordered a new trial so that it could be looked at by a jury.

New evidence can be rejected by a jury. The legal

opinion submitted by the two law lords, if correct, means that the appeal was technically flawed. Lord Devlin and Lord Scarman said that the verdict of a jury which has not heard all the relevant evidence must by definition be unsatisfactory.

Mr Hurd can either return the convictions to the Court of Appeal, which has the power to order a new trial, or order acquittal. He also has a prerogative to pardon the four convicted bombers.

Mr Hurd reversed his decision last January not to take any action in the case after receiving a delegation led by Lord Devlin and Lord Scarman, which included Cardinal Hume, Archbishop of Westminster, and two former home secretaries.

● Bob Woffinden, in a book, *Miscarriages of Justice*, published today (Hodder and Stoughton: £14.95), says that those serving sentences for the bombings stand little chance of having their convictions overturned given the current review process.

● Lord Lane, Lord Chief Justice, is to hear an appeal by six men convicted in 1975 of carrying out the Birmingham public house bombings.

Mr Graham Payn with paintings by Sir Noel Coward (Photograph: John Rogers).

Coward sale likely to raise over £300,000

By Lynda Mardin, Arts Correspondent

The 28 paintings by Sir Noel Coward that were unveiled at Christie's yesterday are likely to fetch far more than the conservative estimate of £300,000 when they are sold at auction on February 18.

Mr John Lumley, of Christie's, admitted as much yesterday when he said: "We may not be at all right. My guess is there will be big fluctuations."

He said that it had been difficult to judge the likely appeal of the Coward pictures as it was the first time any of his work had been sold.

They were sent for auction by Mr Graham Payn, a life-long friend of Coward and chief executor of his estate, who is to give the proceeds to theatrical charities.

Mr Lumley said: "There are no reference points. All you can do is look across to work by Churchill, who was another famous man with a big following in a completely different area."

Mr Payn, a former West End actor who was taking the "stage" for the first time in about 25 years when the paintings, to the accompaniment of Coward music, were unveiled yesterday, said he had received many calls from potential buyers in the United

States since it was disclosed in *The Times* that the sale was to take place.

Others have telephoned Christie's about whether to sell their own Coward works at the same auction. Coward never sold any of his paintings, which he regarded as a hobby, but he gave away many of them and some have since been bequeathed to the beneficiaries of his friends. However, Queen Elizabeth the Queen Mother apparently intends to hang on to her works by the artist.

The selection of paintings on show yesterday showed a definite progression from a rather traditional style to one of great courage and originality with colours and design. Scenes from Jamaica painted towards the end of his life in 1973 blazed out from the wall and even earlier paintings such as a view of the white cliffs of Dover conveyed a distinct command of his little known visual flair.

The sale on February 18 will be held in conjunction with a touring production by the New Sadler's Wells Opera of Coward's operetta *Bitter Sweet*, the first time it has been performed professionally in London since the original in 1929.

There is a natural instinct to assume that had news must be politically bad for the government of the day. But is this always true? Will Mrs Margaret Thatcher suffer in the eyes of the electorate from the Stock Exchange transaction this week?

There is bound to be some embarrassment. The British Petroleum share offer no longer seems poised to become another triumph of popular capitalism. The spread of share ownership itself may have received a bit of a knock. The new investors had to learn sometime that shares could go down as well as up. But this lesson might have been delivered a little less drastically.

So one of the Government's most popular achievements, of which it is justly proud, is glowing a little less brightly now. But the stock markets would have to create a good deal more havoc before popular capitalism became a political disadvantage.

The Government's greatest asset may even have been enhanced by the crisis. During the election campaign it seemed to me that in most parts of the country the Conservatives benefited more from their reputation of providing a strong administration than from any individual policy.

Even defence seemed particularly significant for a number of people because it was evidence of this firmness of purpose. Perhaps the Government might be dominated by the Prime Minister to an extraordinary degree, but that served to give it still more coherence. "You know where you are with her" was a comment to be heard on quite a few doorsteps.

Cause of trouble lies abroad

Her reputation for firmness should not have suffered this week. Nor should Mr Nigel Lawson's. Both the Prime Minister and the Chancellor of the Exchequer have shown again that they are fully capable of taking the strain.

The very nature of the crisis has made it politically easier for them for two reasons. The first is that this is not an occasion when the opposition parties could hope to benefit from partisan attack. This was particularly evident during Prime Minister's questions in the Commons yesterday.

Mr Kinnock deliberately redirected the line of fire away from the stock market to what the Government was doing about last week's storm damage. This was both an acknowledgement, and probably a signal to his supporters, that Labour would not gain

COMMENTARY



Geoffrey Smith

from appearing to make political capital out of the misfortunes of a good many voters.

It would also be risky for Labour to dwell on the injury that can be inflicted on the British economy by international speculation. Is this not precisely the fear that many people have about electing a Labour government?

The other factor that helps the Government politically in this crisis is that the cause of the trouble lies outside this country.

Ministers swift on distinction

Some blame the West German government for threatening to raise interest rates. Some blame the US Treasury Secretary, Mr James Baker, for criticizing the Germans for threatening to raise interest rates. Some blame the Americans themselves for their budget and trade deficits. But nobody is pointing the finger at the British Government.

This is unlikely to escape the British electorate. Throughout the years of high unemployment it has been noticeable that voters do not hold the British Government responsible for what is seen as an international calamity from which most countries are suffering.

It might be a different matter if the stock market's woes began to have an effect on the economy. Ministers have been swift to draw a distinction between the two and to emphasize the continued basic health of the economy. If that were no longer true it might be more awkward for the Government, because it has benefited so much from the simple belief that Thatcherism can deliver the goods.

But so long as this is seen as a stock market rather than a general economic crisis, I doubt if the Government will suffer significant political damage.

Army construction on Dartmoor opposed

By Andrew Morgan

The chairman of Dartmoor National Park last night said he would resist Army construction plans in the park which environment groups say will lead to an extension in the levels of live firing and possible serious injury to the public.

The Ministry of Defence yesterday disclosed plans presented to the national park in which it details building accommodation for a company of men on Higher Beardon farm, which it bought recently adjacent to the Willsworthy ranges on west Dartmoor.

The Dartmoor National Park committee is opposed to an increase in military training and is almost certain to oppose the move when it meets in December.

Mr Edward Morshead, the chairman, added: "This should be resisted. It will be a huge new building in the countryside. This may look well in London but not in a national park. There is also the possibility of increased live firing."

Environment groups are concerned that the increased accommodation capacity would lead to a larger development similar to the Okehampton camp, also in the national park, and lead to a substantial increase in the firing of shells, bombs and bullets.



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Imperial College in crisis appeal

By Sarah Thompson
Education Reporter

The rector of Imperial College, London, issued an appeal to former students yesterday to help to build up college funds and income by promoting the college's links with industry.

It was "vital and exceedingly urgent that the Government begins to appreciate the very real and irrevocable damage which is now being done to institutions such as Imperial College", Professor Eric Ash said.

He blamed a lack of mutual comprehension between universities and the Government for the damage caused by shortfalls in government funding.

Speaking at the college's commemoration day, he ruled out a large fund-raising campaign on the scale of Oxford University's recently announced £200 million target.

But he appealed to the 60,000 graduates of the college, which is the country's foremost science and engineering institution, to help to foster links with industry to produce more collaborative research that would bring in revenue.

Imperial College has recently taken up the American idea of fostering good relations with past students through events such as "Alumnus Day", the first one of which was held in July for more than 1,000 alumni, and has opened an alumni office partly staffed by former students.

The Government now supplies only half the college's income, Professor Ash said, compared with 70 per cent a few years ago, and the proportion of income earned privately by the college is increasing by 2 per cent a year.

The greatest private American universities, to which the Government often compared British universities, "are not sustained by their earnings on their teaching and research activities — their financial vitality is based on the existence of massive endowments and a continual programme of organized giving, by industry, by alumni, by society, which sustains the enterprise".

He added that unlike Oxford University, Imperial College did not have rich endowments dating back to the sixteenth century.

The cost to Britain when a scientist left to work abroad was about £1 million, Professor Ash said, possibly twice as much in the case of an Imperial College graduate.

The net value to Britain of this year's crop of Imperial College graduates could be at least £300 million, 10 times the Government's annual grant.

Picking the grapes of storm's wrath



Mrs Gwen Ades picking windfalls and storm-damaged grapes beneath the branches of a fallen oak tree at Lamberhurst Vineyard in Kent yesterday as the grape harvest got under way (Photograph: Graham Wood).

Hospital may rely on gifts

By Ian Smith

Medical consultants are discussing plans to raise £5 million from industry and public gifts to provide urgently needed paediatric facilities at the country's largest health service general hospital.

Doctors and administrators at St James's University Hospital in Leeds, Europe's largest teaching hospital, will decide within the next three weeks whether to launch an appeal to raise money for an 80-bed paediatrics block to ease an acute shortage of space, resources and nursing staff.

Mr Ian Donnachie, the hospital general manager, said that although public money had been used before to augment health service hospital provisions, the concept of building an entire hospital block which would come under immediate health service control was new.

Doctors at St James's, regarded as pioneers in high

technology treatment of children's illnesses including cancer, scoliosis and cystic fibrosis, are unable to cope with increasing requests for treatment from all over the country.

Mr Donnachie said that because of positive publicity generated by medical innovations at St James's, it was known that significant sums for the extension of paediatric services might be available through public generosity.

"We are exploiting what we see as a beneficial situation. What we have to decide is whether fund raising schemes should be unleashed in a disparate manner or be knitted together in a way which would make possible the provision of an integrated paediatrics block."

The costs of providing the block are put at £5 million. If the Department of Health and

Model in tax clause challenge

A fashion model yesterday launched a High Court test case against the customs and excise over a "draconian" penalty clause in the tax laws, which can increase by 30 per cent the tax bill faced by anyone who is late registering for value-added tax.

Miss Jo Ann Neal, aged 19, argues that the customs should have accepted that she had "reasonable excuse" for not registering earlier because of her ignorance of tax laws and the fact that she had no clear idea of her earnings during the relevant period. She is challenging a decision of a VAT tribunal upholding a penalty of £212 for late registration.

Miss Neal registered in March 1986, but the taxmen claim that she was earning enough as a model to warrant registration up to October 1985.

She was not in court to hear her counsel, Mr Andrew Lloyd-Ellery, tell Mr Justice Simon Brown that the penalty provision in the Finance Act, 1985, was "draconian" because, once the 30 per cent penalty had been found to be applicable, it could not be reduced by mitigating circumstances.

Mr Guy Sankey, for the customs and excise, said that because Miss Neal based her appeal on her ignorance of the law, the VAT tribunal had been right to reject her excuse. Judgement is expected today.

Whooping cough link to IQ

By Thomson Prentice
Science Correspondent

Children who have suffered badly from whooping cough may have a lower IQ and do less well at school than those not attacked by the disease, according to researchers.

Serious complications arising from the illness in early childhood may be linked with subsequent intellectual impairment, a report in the *British Medical Journal* says today.

The study of small groups of Swansea children, aged be-

tween seven and nine, found that those who had convulsions or apnoea (a stoppage of breathing) had a significantly lower median IQ and poorer school attainment.

The children were not vaccinated against whooping cough, possibly because of publicity in the mid-1970s about the risks of the pertussis vaccine.

Dr William Williams, director of the Royal College of General Practitioners research unit in Swansea, said: "Some caring parents may have taken notice of the adverse publicity

given to the vaccine in the media after 1974.

A survey carried out by the same research unit in 1976 showed that among a national sample of 100 general practitioners, a third were advising parents against whooping cough vaccination.

Some of the children in the study who had whooping cough may have been born with genetic disadvantages, "but this should not obscure the fact that convulsions and apnoea in themselves are serious complications that may result in brain damage".

Book bid by church rejected

The Church of Scientology failed in its attempt in the Court of Appeal yesterday to prevent personal documents and photographs of its founder appearing in a new biography.

Lord Justice Fox, sitting with Sir George Waller, refused to overturn a High Court decision allowing publication of diaries, letters and photographs of the late L. Ron Hubbard in Russell Miller's book, *Bare Faced Messiah*, which will be published on Monday and will be serialized in *The Sunday Times* from November 1.

Earlier this month Mr Justice Vinelott branded the appeal as "mischievous and misconceived".

Lord Justice Fox said that the judge concluded rightly that there was no likelihood of the church being damaged by any breach of copyright resulting from publication of photographs.

It was in the public interest that the teachings of the church should be exposed to public criticism and this far outweighed any duty of confidence.

The church was refused leave to appeal.

Complaint about The Times fails

There was no evidence that a headline crediting the Prime Minister with securing a £537 million frigate order from Pakistan was a piece of electioneering by *The Times*, the Press Council said today.

The council rejected a complaint by Mr John Connell, of the Peace Media Campaign, 12 Mearns Way, Bishopbriggs, Glasgow, who complained that the newspaper inaccurately reported for political reasons under a misleading headline that Mrs Thatcher had clinched an arms deal with Pakistan, when negotiations were still continuing. He also complained that the newspaper failed to publish a critical letter from him.

The story, by Michael Evans, defence correspondent, reported that Pakistan had agreed secretly to buy three of the Royal Navy's latest Type 23 frigates. It said the deal followed a last-minute intervention by Mrs Thatcher to clinch an unprecedented financial package and was viewed as crucial because it would safeguard 4,300 jobs at Yarrow on the Clyde.

Mr Connell complained to the editor that both the Pakistani embassy and Yarrow Shipbuilders denied the re-

port. He asked if the newspaper was electioneering for Mrs Thatcher by publishing inaccurate information based mostly on wishful thinking.

A week later *The Times* published another report by Michael Evans saying the Pakistani government had confirmed the purchase of three frigates for about £560 million, credit.

Mr Michael Hoy, managing editor, said Mr Connell's ill-intentioned suggestions that *The Times* would fabricate a story or print a misleading headline to favour a politician were absurd. Mr Evans said his article was confirmed by the Pakistan foreign ministry, and others were not privy to his information.

The Press Council adjudication was:

"Although the headline anticipated formal announcement of agreement on a £537 million deal to supply Pakistan with three frigates, it did not, in the Press Council's view, amount to a substantial inaccuracy. The council does not find that the publication of it was a piece of deliberate electioneering by the newspaper as the complainant claims. The complaint against *The Times* is rejected."

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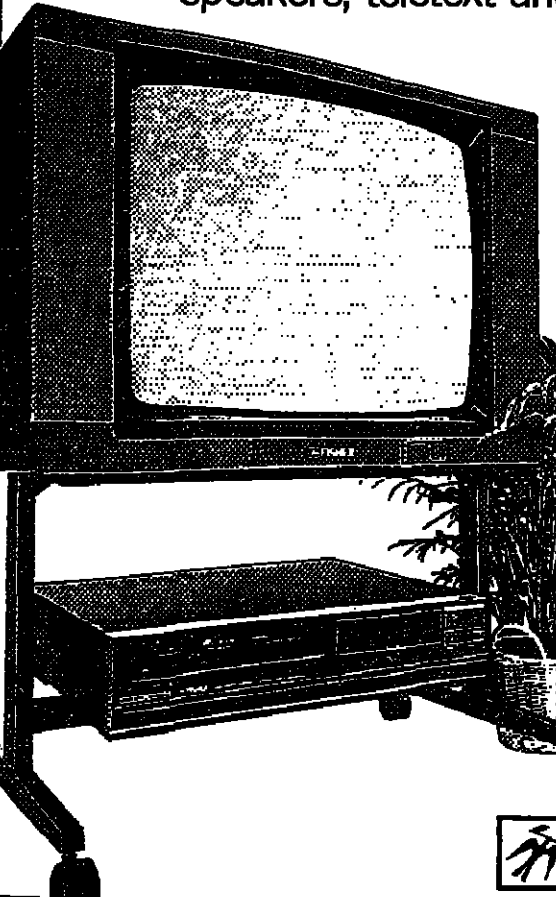
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WORLD SUMMARY

Witnesses clash in Hayward case

Stockholm — The principal witness against Simon Hayward, the British Life Guards captain jailed for smuggling cannabis into Sweden, was accused yesterday in the Swedish High Court of lying to protect the girl friend who was his regular drug courier (Christopher Mosey writes).

Miss Nasim Tervaniemi, a drama student aged 29, turned on Forbes Mitchell, a 36-year-old Scotsman, and told the court: "That man is capable of anything." Mitchell is serving a seven-year sentence for his role in the drug-running operation from the Spanish island of Ibiza, the investigation of which led to Hayward's arrest. The captain is appealing against both his conviction and jail sentence.

Miss Tervaniemi said that Mitchell, who maintains that Hayward had volunteered to be a drug courier for "the adventure and the money", had made a deal with the police so that his girl friend, Prita, would not be investigated. She said Prita had been arrested but had escaped to Ibiza using a false British passport.

Mitchell, however, responded by saying: "Nasim has found her vocation in life by enrolling in a drama school. I have to give it to the woman — she is a first-class actress."

The hearing was later adjourned until Wednesday.

Amritsar Managers jailed

Delhi — The much-vaunted Sikh religious convention, the Sarbat Khalsa, failed to take place as planned yesterday in the Golden Temple at Amritsar (Kuldip Nayar writes). There were only two dozen devotees in the building.

But Sikh militants said that they had held the Sarbat Khalsa and passed 12 resolutions. Police had sealed all entrances to the temple and kept a strict watch on rural areas from where Sikh devotees travel to the temple today for Diwali, a festival which pious Sikhs celebrate by bathing in the tank inside the building.

It is yet to be seen who will ultimately gain control of the Golden Temple which, until the intervention of police, was run by the militants.

Two Kims stay aloof

Seoul — Prospects of South Korea's opposition agreeing on a single candidate for the presidential election in December virtually disappeared yesterday when Mr Kim Young Sam and Mr Kim Dae Jung, the rival aspirants of the Reunification Democratic Party, maintained their collision course during a 90-minute meeting in a Seoul restaurant (Gavin Bell writes).

It was effectively their last bid to settle the issue by consent, but personal ambitions evidently prevailed. A party spokesman said later that neither would cede to the other.

Twins are Frontline separated freedom

Jakarta (Reuter) — Siamese twins joined at the head were separated in an 11-hour operation by 41 doctors at a Jakarta hospital, doctors said yesterday. One of the 10-week-old girls was given an artificial scalp.

"The twins are in excellent condition," said Dr Iskandar Wahidayat, director of paediatrics at the Cipto Mangunkusumo hospital where the operation, the first successful procedure of its kind in Indonesia, was performed on Wednesday.

Papandreou hits back

Athens (AFP) — The Greek Government, stung by reports of Mr Andreas Papandreou's relationship with Miss Dimitra Liani, an air hostess, below, has proposed jail terms for people found guilty of making personal attacks on Greek leaders, including the 68-year-old Prime Minister.

A Bill announced yesterday would impose two-year prison sentences on anyone publicly using language injurious to the Prime Minister, Government, parliamentary Speaker or political party leaders.

The same would be meted out to anyone aiming to undermine the prestige of the Government or a public authority. The text specifies that press criticism of governmental action did not in itself constitute defamation.

Newspapers across the political spectrum have given huge play to the reported liaison between the Prime Minister and 33-year-old Miss Liani, who works for Olympic Airways, including an assignment in a tavern on an Aegean island.



First test-tube pregnancy under way in Black Africa

Black Africa's first test-tube pregnancy is well under way there with an unidentified black mother-to-be, aged 24, reported to be nearly 14 weeks through her confinement and "doing well".

The two doctors who pioneered the work in the Zimbabwean capital say they expect to be swamped with requests from childless black couples for help — but what has become common in industrialized countries is considered a minefield of cultural taboos in Africa.

The medical team has treated 40 couples since November last year, and yesterday the gynaecologist, who asked not to be named and would not identify his patients, said that only one treatment had so far passed the early critical stages.

Even before the announcement of the Harare *in vitro* fertilization (IVF), he said, he had received requests from couples in neighbouring Botswana and Zambia, "and as distant as from Tanzania". He added: "We expect to be swamped."

Miss Dadravi Madima, the embryologist who trained at the North East London Polytechnic and has been working

with the gynaecologist for about a year, said: "For the childless couples in the region, it's really a breakthrough." She adds that patients are charged "very little" for IVF — £1,050 compared with up to £5,000 charged by clinics she has visited in London.

The development appears strange in a country with a population growth rate put at 3.2 per cent per annum by government statisticians, but closer to 4 per cent by independent researchers — the highest in Africa, thanks to the Government's fight against infant mortality.

The reason behind the potentially massive demand lies in the southern African system of *rooms*, or bride price.

Fertility is crucial to the success of a marriage, and often the *rooms* — still common among Zimbabwe's post-independence technocrats, who often pay for a wife in refrigerators and bank transfers instead of cattle — will not be handed over until the wife falls pregnant.

An infertile wife is "just so much garbage", commented an anthropologist here. "The husband paid for the wife assuming her potential productivity. If she doesn't pro-

duce offspring, he's paid for nothing."

The gynaecologist confirmed that in many cases childless Zimbabwean couples had scrounged and saved to try abroad for a very expensive IVF, "just to avoid divorce and all sorts of social upheavals".

But infertility among men is regarded as "an absolute disgrace, the worst paradigm of weakness and timidity", said the anthropologist.

The gynaecologist said cases of requests for artificial insemination had been "rare" among black Zimbabweans. Nor is it expected that fathers involved in IVF here would welcome publicity. "It would be a most terrible admission," said another anthropologist.

"We overcome these problems," said the gynaecologist. "You must remember — we are dealing with desperate couples."

A third indigenous, but more modern, difficulty threatens to confound the hopes of thousands of women to end their infertility and ostracism — "no foreign currency," said the gynaecologist. "The equipment and the drugs are expensive and have to be imported."

Fresh efforts to end the Gulf war as oil rig attacks continue

Concession to Tehran in UN peace plan

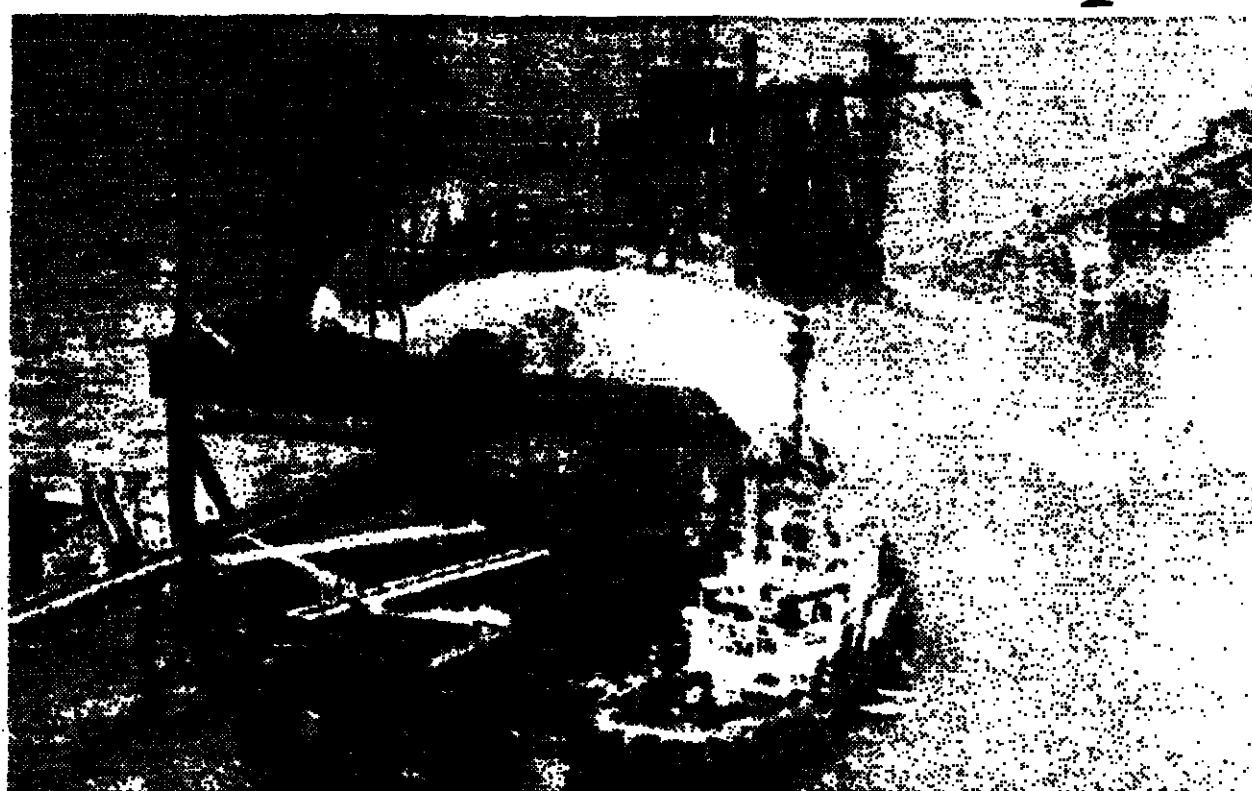
By Huzhir Teimourian

New proposals by Señor Javier Pérez de Cuellar, the United Nations Secretary-General, to Iran and Iraq on ending their war concede one of Tehran's most important demands — that there should be no withdrawal of forces to within official borders before a commission of inquiry declares one side as starting the war seven years ago.

The plan, drawn up on October 15, was published in full on Wednesday by *al-Khaleej*, the Arabic-language newspaper of the United Arab Emirates. It also detailed Señor Pérez de Cuellar's first set of proposals last month. The accuracy of the earlier leak was later confirmed by UN officials.

Where the new, nine-point plan differs from the previous one is that it shows the Secretary-General to have gone a long way in placating Iran. It may be a deliberate decision to place Tehran under the spotlight by confronting it with a new situation in which its main demand had been accepted.

The plan requires that an unofficial ceasefire, monitored by UN representatives, be observed by both belligerents while an independent commission of inquiry begins



Fireboats tackling a blaze on the Kuwaiti oil platform Sea Island after it was hit yesterday by an Iranian Silkworm missile.

to investigate responsibility for initiating the conflict. The commission, to be composed of existing institutions or eminent persons acceptable to both sides, would have to

report its finding before an agreed deadline.

Iran insists that the war began on September 22, 1980, when Iraq launched a massive invasion. But Baghdad has

always claimed that the invasion was an act of self-defence in response to earlier military provocations, along the countries' 700-mile border, by Iranian revolutionary zealots.

If Iran now accepts the new proposals, the possibility is that Iraq would reject them.

While Baghdad accepted the previous set of proposals, it said that it would not be a

party to a conditional ceasefire. But Iraq, which has been gradually losing territory over the past five years, is thought to be desperate for peace.

If Baghdad were to accept the new plan, and the result of the inquiry went against it, it could hope to negotiate over the reparations required to be paid to Iran. Iraq's oil-rich friends in Saudi Arabia and Kuwait are known to be prepared to pay Iran up to \$50 billion (£30.1 billion) in reparation on behalf of Baghdad, though Tehran would certainly demand sums several times as large.

Señor Pérez de Cuellar is thought to regard his new proposals as a basis for negotiations, rather than an ultimatum. The Security Council has given the belligerents until the end of the month to agree to implement the ceasefire called for by its Resolution 598 of July 20. Otherwise, it would consider imposing an international ban on weapon sales to them.

Insurance price rise: Minimum war-risk insurance premiums for Gulf cargoes moving to and from Kuwait and northern Saudi Arabian ports are to rise today from 0.5 to 0.75 per cent after the latest increase in tension. London insurers said yesterday (Reuter reports).

Savimbi beats off Angolan assault

From Michael Hornsby Johannesburg

Dr Jonas Savimbi, leader of the South African-backed, anti-government guerrillas in Angola, claimed yesterday that he had "practically defeated" a government offensive supported by Soviet and Cuban troops.

His claim was reported by the South African Broadcasting Corporation, and Western diplomatic sources here said there was evidence that Angolan troops were in retreat after failing for the third year running to defeat Dr Savimbi's Unita forces.

The Angolan news agency, Angop, claimed yesterday that government troops had shot down 13 South African jet fighters in the southern Angolan provinces of Cuando Cubango and Cuanene between October 9 and 20. It also claimed that the South African Air Force violated Angolan air space 41 times during this period.

According to military sources here, the South Africans have deployed a number of their 155mm G5 artillery pieces, which have a range of 22 miles, inside Angola, and have used them to pound government positions.

Use of the G5, it is claimed, has enabled the South Africans to support Dr Savimbi's guerrillas from a distance, without having to expose their own troops to close-range combat or their aircraft to missile attack.

The main aim of the Angolan Government's offensive, in which 18,000 troops under a Soviet commander, General Konstantin Shagovich, are said to be taking part, was the capture of Mavinga, a bush airstrip in south-east Angola, which is Dr Savimbi's forward command base.

Three weeks ago Dr Savimbi claimed to have blunted the government offensive and to have gained the upper hand, but he said that the next few weeks before the start of the rainy season, which is now just beginning, would be crucial.

Mrs Reagan comes home to a rousing welcome

From Michael Binyon Washington

Mrs Nancy Reagan came home from hospital yesterday — to cheers, tears, smiles and the welcome of a US Army jazz band on the White House lawn playing "You Are My Sunshine".

Clutching a bouquet of pink roses, Mrs Reagan, her eyes brimming with tears, leant on her husband's arm as she walked from the helicopter that brought them from Bethesda Naval Hospital.

"Welcome home, Nancy", the banners proclaimed. Children from orphan's homes that the First Lady

has supported clustered among the balloons to clap and cheer.

It was an emotional moment. Both the President and his wife were moved. Mr Reagan grinned broadly. Mrs Reagan, relieved but tired and showing the strain of the operation to remove her left breast, smiled bravely. She paused to take advantage of the chance to remind the children to "Say No to Drugs" before going indoors.

Then, more personal and heartfelt, she thanked them all. "I'm very, very happy to be home — very," she said. Mr Reagan visited his wife daily in hospital, where she was surrounded by

telegrams and flowers from world leaders, including a bouquet sent on Tuesday by Mrs Raisa Gorbachov.

White House staff were on hand to greet Mrs Reagan, including those who have been at the centre of the effort to calm the Wall Street crisis. The overweight Budget Director, Mr James Miller, chewed gum as he clapped loudly. He and Mr Reagan were strongly criticized yesterday for their apparent retreat from the President's statement on Tuesday that he was ready to consider raising taxes to overcome the budget deficit.

Congressional leaders, meanwhile, tried to pin Mr Reagan down to his

promise of a personal meeting with them to resolve the deadlock on the budget.

Mr Reagan's decision to hold a press conference, his first in the US for seven months, was seen as a way of demonstrating his personal involvement in the economy. But it was also seen as a clever way of satisfying the persistent calls for direct communication with the press at a time when the Wall Street crash would eclipse potentially embarrassing and difficult questions about the Gulf, or even the Iran-Contra affair, on which the final report of the congressional investigating committee is expected shortly.



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Poll in Russia shows thirst for justice Young Muscovites back glasnost

From Philip Jacobson
Paris

The results of the first opinion poll ever conducted in the Soviet Union on behalf of a Western newspaper suggest that young people are overwhelmingly behind the drive by Mr Mikhail Gorbachev, the Soviet leader, to transform the society in which they live.

Invited to describe the main obstacles they see to the spread of the policies of *glasnost* and *perestroika*, 60 per cent of respondents unhesitatingly nominated the deadweight of Soviet bureaucracy. Another third identified the lethargy, inertia and "couldn't care less" attitude of the population in general, and a resounding 100 per cent were in favour of elections with several competing candidates, as opposed to rubber-stamping the Communist Party's single choice.

In the view of *Le Matin*, the left-wing French daily which published the findings of the poll yesterday, the written responses obtained from school-leavers, university students and young workers in the Moscow region strikingly confirm the nature of the society that Mr Gorbachev is struggling to drag into the 1980s.

Although the newspaper had hoped that the poll, carried out last month, would be conducted by the social science institute of the Soviet Academy of Sciences — accepted by most Western experts as the only truly national polling body in the Soviet Union — the field work was finally undertaken by the Novosti press agency.

According to *Le Matin*,



Mr Eduard Shevardnadze, the Soviet Foreign Minister, greeting Mr George Shultz, US Secretary of State, who arrived in Moscow yesterday for arms talks. Moscow's freak fog forced Mr Shultz to make a 14-hour train journey from Helsinki.

none of its original questions was changed, none of the young people interviewed knew of the French involvement, and no attempt was made to influence the conclusions. A spokesman for the newspaper told *The Times* yesterday that Novosti had not provided information on the size of the poll sample,

Perhaps the most interesting responses came when young people were asked to give examples of how Mr Gorbachev's policies would benefit the Soviet Union.

"Making socialism work better," 40 per cent said, and their comments make it clear that by this they meant moving towards a more just and

egalitarian society. "*Perestroika* begins with a more equal system of admission to the better schools," one youngster wrote.

Alongside its own findings, *Le Matin* also published the result of a poll conducted by a Soviet specialist among employees in 100 plants and factories in the Urals region.

The contrast with the optimistic visions of a better society of the young people of Moscow is dramatic.

More than half of those asked how they thought *perestroika* would change things on the factory floor, said they expected to be ordered to work a great deal harder.

Thousands grounded by freak fog at Moscow

From Christopher Walker
Moscow

Moscow's main airport terminals have begun to resemble refugee transit camps as the authorities struggle to cope with the worst fog in 107 years of Russian weather observation. It has kept all but a few aircraft grounded for five consecutive days.

Tass reported yesterday that, due to the shortage of hotel rooms for some 35,000 stranded passengers, special trains with sleeping compartments had been brought in and beds were being offered in a camp for Pioneers.

At Domodedovo airport in the south-western outskirts of the capital,

stranded passengers slept on staircases, benches, floors and in the luggage room. One woman from Siberia said that she had been trying to get home since Monday but had spent the nights standing in the packed terminal because of lack of floor space.

Frustrated Western airline representatives said that Moscow airports were not equipped with anti-fog devices, such as the radio-signalling machinery installed at some international airports which can guide planes down in foggy conditions.

They said that Soviet airport officials require horizontal visibility of at least 400 yards for most planes to

land, and 350 yards for aircraft with an instrument landing system and a qualified crew. On Wednesday the visibility was down to 100 yards for most of the day.

According to Tass, the milky white fog — which has caused hundreds of traffic accidents — has already cost Aeroflot 500,000 roubles (£500,000) in refunded tickets. Inside every domestic air terminal, huge, ill-tempered queues could be seen as weary passengers tried to cash in their air tickets and reserve places on already over-booked trains.

After the gales, floods and storms

which have recently battered Britain, Moscow's 1987 fog is another meteorological oddity. "The Moscow skies have not been covered in fog for so many hours since weather observation began 107 years ago," an official at the State Weather Centre said. He said that the service predicted the fog would lessen over the next two days. "But this does not mean that the visibility will drastically improve and remain stable," he added.

Tass reported last night that special planes had been used to try to disperse the fog. It also said that airports were reopened when weather conditions improved briefly.

Spanish unions combine forces to fight Madrid

From Harry Debelius, Madrid

Spain's Socialist-led General Labour Union (UGT) agreed yesterday to join forces with the Communist-led Workers' Commissions to stage demonstrations against the Socialist Government's pay and pensions policies.

The move came as two leaders of the Socialist union renounced their seats in Parliament rather than vote for the Government's line.

The agreement reached by Spain's two biggest trade unions consolidated the rift between the Government and the Socialist union, the most serious division the Socialists have faced since first coming to power in 1982.

The unions set the dates for two joint demonstrations in Madrid and left open the possibility of more joint actions. Next Thursday they will rally civil servants for a demonstration against wage ceilings which are reflected in the budget now being discussed in Parliament. On November 12 they will call on old age pensioners to gather at Madrid's sports palace to protest against limits on pensions.

The two UGT leaders — Señor Nicolás Redondo, the Secretary-General, and Señor

Anton Saracibar, the Organizational Secretary — formally communicated their resignations to the chairman of the Parliament's rules committee here yesterday.

In a letter to the Socialist Party explaining the decision, Señor Redondo argued that his decision to leave the Parliament should not be interpreted as an action against the party but rather against government policies.

However, many leftists who supported his decision did not make the same distinction. In the south-eastern city of Murcia, 60 members of the UGT turned in their Socialist Party membership cards.

The Finance Minister, Señor Carlos Solchaga, who is primarily responsible for what Señor Redondo has called "anti-social policies", said the union leaders' action was "unjustified". He claimed that the allowance in the budget for increases in pensions and civil servants' wages "are more generous than in other years".

The full consequences of the feud are still not known. Señor Redondo, who was arrested 14 times under the Franco dictatorship for trade union activity, is a highly respected figure among Spanish leftists.

Mitterrand reminder of neutron arsenal

From John England, Bonn

President Mitterrand of France said yesterday that his country could make the neutron bomb, which would be in the French arsenal "when the threat is there".

Speaking in Hanover at the end of a four-day state visit to West Germany, Mitterrand said France would possess every weapon that other countries had, including the neutron bomb. His country would reply to every attack with a nuclear counter-blow.

Tempering his sabre-rattling, he added that he really hoped the moment would not come when it would be needed. Deterrence did not have the goal of winning wars, but of preventing them.

Mitterrand was clearly pleased with the state of the Bonn-Paris axis. He said he was now able to understand

the West Germans' "difficulties" and find more understanding for them, although he did not go into details.

The main topic of his talks with Chancellor Kohl and other West German politicians was the further growth of Europe.

From the West German side, there were nothing but top marks for the President's visit, which Bonn earlier said had underscored the "unique development" of Franco-German relations.

● Kohl visit: Chancellor Kohl is to make a private visit to East Germany, probably this year, government sources said yesterday. Herr Erich Honecker, who visited West Germany last month, gave Herr Kohl an official invitation to visit his country, but the date is still to be fixed.

Parties in harmony for 'siege of Dhaka'

Dhaka (Reuters) — Bangladesh's feuding opposition parties have agreed to put aside their squabbles and work together in an attempt to oust President Ershad.

A meeting of three alliances linking 20 parties has begun the countdown to a "Dhaka siege" next month to try to force General Ershad to quit.

It was the first time leaders of the three groups had put their signatures to a single statement, instead of signing identical ones.

They say tens of thousands of protesters will march on Dhaka on November 10 to besiege government offices and business premises.

From today they plan a blockade of roads, railway lines and government offices outside Dhaka as a warm-up for their march on the capital.

Pens down

Sydney (Reuters) — Australia's main civil service unions will strike for 24 hours today to oppose government plans to improve efficiency in return for a 4 per cent wage rise.

Triad trial

Hong Kong (Reuters) — Seven alleged leaders of an underworld gang (Triad), one of them a director of a Buddhist temple accused of being an assassin, denied blackmail and other charges when Hong Kong's biggest organized-crime trial opened.

Plastics fire

Troy, Ohio (AP) — Fire in a tank of molten plastic and two explosions at a chemical plant killed one person, and injured five others.

Director dies

Rome (AP) — The Hungarian film director Pál Gabor, aged 54, whose films concentrated on the problems of youth and workers, has died of a heart attack while visiting Rome.

Forged papers

Hong Kong (Reuters) — More than 2,200 petitions among 135,000 sent to officials on planned political reforms were found to be forged.

Ancient bones

Peking (Reuters) — Chinese and Canadian scientists have unearthed the remains of Asia's largest known dinosaur in the Gobi Desert.

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Delhi's spokesman denies accusations of indiscriminate shelling at Jaffna

Indian forces cut off Tigers from the sea

From Michael Hamlyn, Colombo

Indian forces in the northern Sri Lankan town of Jaffna yesterday morning linked up at the railway station and effectively cut off from the sea the rebel gunmen of the Liberation Tigers of Tamil Eelam.

With a sweep of the hand over a map of the town, the Indian official spokesman in Colombo indicated that the peace-keeping force now had control of 40 per cent of the area within the municipal boundaries.

The advance from Navakuli in the east had made rapid progress across the town, the spokesman said, releasing in its wake the local government secretariat. The forces from the west, from Manipay and the fort, took control of the hospital and immediately started the urgent work of resupplying it. They have also brought in emergency generators so that at least partial supplies of electricity may be restored.

The spokesman described as "a total lie" accusations by the Tigers that "more than 700 shells have rained down on the hospital area, 300 civilians have died and 500 have been injured" and that doctors and nurses had been unable to reach the hospital.

To the north of the town, troops moving in from Kopy have crossed the town border and were last reported almost

at the big refugee camp at the Nallur temple.

The refugees were reported by Indian reconnaissance flights to have been streaming away from the temple, trying to escape the fighting. Other refugee camps at Hindu College and Hindu Ladies' College have also not yet been relieved.

Fighting on the Palaly to Jaffna road, where the Indian advance is reported to have reached the university, is said to be particularly fierce. The headquarters of the Tigers was across the road from the university campus and was the target of a disastrous airborne commando raid earlier in the offensive.

On the route from Kankesanthurai, the troops are said not to be moving forward because the road is heavily mined and the houses booby-trapped.

The Indian High Commission also fiercely denied last night allegations made by refugees in Jaffna against Indian troops. Questioned about reports filed by correspondents who had been in the town accompanied by the Tigers' commander, Mr Yogenendra Narain, known as "Vogi", the spokesman said they were "blatant lies".

The correspondents reported allegations of indiscriminate shelling and of Indian troops entering



Motorised infantry: Tamil Tigers of Eelam preparing earlier this week to move into forward positions in central Jaffna to counter the offensive by the Indian peace-keeping force, which now claims success in driving the Tamils out.

people's houses and killing innocent civilians.

The Indian peace-keeping force has been "very, very restrained in the use of firepower," the official said.

The official denied a report from a senior Sri Lankan

security source that the Indians were using a 105 mm artillery piece in Palaly base and firing it at targets in Jaffna 12 miles away.

In Colombo yesterday, the country's Parliament extended the emergency regulations

for another month after members were told that 17 people had been killed in political assassinations in the month from September 16.

The opposition Sri Lanka Freedom Party and its leader, Mrs Sirima Bandaranaike,

went to the Supreme Court yesterday, where Mrs Bandaranaike's lawyer, Mr Rajagunasekera, presented a case against the laws setting up the new provincial councils which were agreed under the Indo-Sri Lankan peace accord.

Communist Party Congress

Tougher response to social protest expected in China

From Mary Dejevsky, Peking

The Chinese authorities have indicated that they intend to toughen their attitude towards political unrest.

In a survey of "people's expectations" for the forthcoming 13th party congress, the New China News Agency included "opposing disruptive social activities" among the decisions people thought most likely to be taken.

This is the first time the subject of political unrest has been mentioned in relation to the congress, and its inclusion at this late stage is being seen primarily as a response to the recent demonstrations in Tibet. It may also be an attempt to prevent a recurrence of the student demonstrations and related public dissent by intellectuals which broke out a year ago.

There is also a suggestion that the Chinese authorities may fear demonstrations — whether by students, intellectuals or disgruntled Tibetans — during the congress itself.

People not permanently resident in the capital are said to

have been moved out of the city, and the police presence has been increased. Two weeks ago it was reported that random checks on identity papers had been introduced in the city.

Until now, the congress agenda was thought to be limited to discussion of the economic reform programme, of streamlining party administrative structures and of reducing the amount of duplication in party and government functions.

The apparent addition of "opposing disruptive social activities" has been noted with concern by Chinese intellectuals and foreigners alike. It follows reports that new and unpublished regulations restricting travel by journalists within China are being applied. Foreign correspondents based in Peking have been strongly criticized by the authorities for their coverage of the disturbances in Tibet earlier this month, after which access to the region was restricted.

Shops bear fruits of Deng reforms

Peking — Qianmen is one of central Peking's main shopping streets, and it is a shopping street — not window shopping, not queuing, but real shopping. You can walk in and out of separate stores, judge the quality, compare the prices, and decide what to buy (Mary Dejevsky writes).

Some of the shops may be little more than makeshift stalls. Few are more than one storey high, but the green-grocers' are piled high with good quality fruit and vegetables, clothes stores have a passable and bright range, and household goods are available in abundance.

They used not to be. Peking, paradoxically for a capital city, was well behind some other Chinese cities in relaxing its approach to private enterprise. It is only in the past year that the markets have begun to look up, but now people are describing last winter and this summer as the best for supplies in recent memory.

Even six months ago, it was thought that the chief question for the Party Congress would be whether economic decentralization and the growth, some would say restoration, of private enterprise were desirable at all.

Now, the principle seems to have been accepted even by those who had earlier expressed fears about creeping capitalism. The ground has shifted: it is no longer should the reforms be reversed, but should they be allowed to continue unchecked.

Steepest price rises for all but the strictly staple foodstuffs, increased income disparity and the questionable ideological basis for private enterprise have combined to raise doubts in the minds of some about the benefits of further progress.

Their cause would be strengthened if the Congress failed to deliver a whole-hearted endorsement of continued decentralization and guarantees for entrepreneurs. The Congress documents are intended, after all, to set the political guidelines for the next five years.

Even more contentious than the progress of economic reform, are plans to refine the structure of the Communist Party and cut the amount of work duplicated by party and government officials. At present, there are parallel party officials for almost every administrative position.

Experiments have been conducted in several cities in an attempt to reduce the numbers of party officials engaged in this kind of work, but serious problems have been encountered.

Many managers are discontented because they are confused about who can actually

take decisions. Others complain about conflicting decisions because party and government officials no longer co-ordinate their activities.

Party stalwarts also fear that a reduction in the number of visible party officials will gradually erode the party's influence. Even though the mooted structural changes are unlikely to change the present situation, where the party has the last word on everything, they fear that this might not always be so.

The other, less controversial, issue to be decided at the Congress concerns the theoretical state of the Chinese Communist Party. Until now, party members hesitant about



Chairman Mao: Economics overtaking his orthodoxy.

the reform programme have been able to object, with justification, that it is incompatible with the orthodoxy of what is referred to as "Marxism-Leninism-Mao Tse-tung thought".

Party ideologists have been working on the problem for several years and have now come up with a formula which, they believe, gives a theoretical basis for the economic relaxation currently in progress.

They are introducing the concept of the "initial stage of socialism", where collective, co-operative and private enterprises co-exist. Only when China is more developed will it be able to progress to more common ownership and so to communism proper.

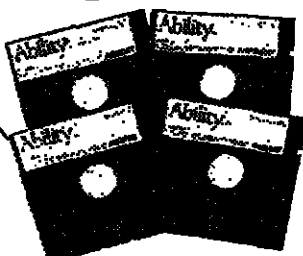
Chinese party officials are said to hope that the new formulation will put an end to the ideological objections raised about present policies. In time, however, it may spawn new ones; for talk of an initial stage suggests that there is a higher stage when common ownership and collectivization will become the norm.

Soviet theorists will have a distinct sense of having been over much of this ground before. Their favoured explanation for the Soviet Union's lack of economic progress was that it was only "in the early stage of developed socialism". That formulation survived no longer than Yuri Andropov's year as Soviet leader.

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Conflict in South Tyrol

Neo-Fascists thrive on the fears of Italians

From Roger Boyes, Rome

Italy's neo-Fascists, still marching in step with Benito Mussolini, are enjoying a new lease of life, having this week staged one of their biggest displays of strength in more than five years.

The leadership of the party, known as the Social Movement of Italy (MSI) and legal, has decided to shift its focus from Rome, where it has 60 members of Parliament, to the tiny Italian-controlled province of South Tyrol.

Tensions are running high in the province—18 bombs have been set off so far this year—and the neo-Fascists sense that they will gain in national prestige if they break the back of the Tyrolean autonomy movement.

The decision, ratified by the MSI party leadership on Wednesday, follows days of rallies, politically-charged ceremonies and fiery speeches in the South Tyrol capital of Bolzano.

"It is no longer possible to tolerate a situation where Italians feel like strangers in their own homes," declared the veteran neo-Fascist deputy, Signor Franco Franchi, to thunderous applause in the Bolzano town hall. Table-thumping speeches, in the manner of Mussolini, are again in vogue in the mountain province.

Had the speeches been made in Rome in the over-excited atmosphere of Parliament, they

could have been safely ignored. But in South Tyrol there is now a real possibility of violent civil strife.

The South Tyrol, ceded to Italy after the First World War, has always wanted to secede, either to join Austria or to operate as a kind of Liechtenstein. After the Second World War, it was given wide-ranging autonomy: some 66 per cent are German speakers and the area, in its way of life, is almost entirely Germanic.

But the German-speaking Heimattum has been pushing for complete independence from Rome; at least some of the recent bombs and attacks on Italian institutions have been ascribed to these extremists.

To the Italian neo-Fascists, this is welcome fuel to their cause. In



Signor Gorio: his reforms will benefit German-speakers.

the summer general election they won just over 6 per cent of support in the nation as a whole. In the South Tyrol, however, they won more than 10 per cent, and in Bolzano some 30 per cent. They are the biggest Italian-speaking party in the province.

The neo-Fascist leadership gathered in Bolzano last weekend—42 lower house deputies, 18 senators and many supporters, including a "battalion" from the youth movement. Their actions were deliberately provocative, calculated to evoke memories of Mussolini's era.

Contrary to expectations, there were no violent confrontations between the German and Italian speakers.

But, with Signor Giovanni Gorio's Government promising a complete autonomy package in the coming months, the radical German speakers and the Italian neo-Fascists are digging in for battle.

The Germans point out that the Italians still dominate civil service positions in the provincial administration. Under the reforms, civil servants would have to be bilingual—a move that would probably discriminate against Italian-speakers. The overall balance of government jobs will be adjusted to provide for 60 per cent German-speakers, 30 per cent Italian-speakers, and the rest for the small minority of Ladin (the Alpine dialect) speakers.

Wright scores a million



Mr Peter Wright, the former MI5 officer, in front of a portrait of himself at the launch in Melbourne, Australia, of *Spycatcher*, his memoirs on his years as a British secret agent which have already sold one million copies worldwide. Britain lost a two-year court battle to ban publication of the book.

Australian unions threaten to halt air links with Fiji

From Keith Dalton, Sydney

A threatened ban by Australian trade unions on air travel to Fiji from November 1, coupled with an earlier shipping ban, has left Fiji's military rulers scrambling to set up alternative links with France and Indonesia.

The military Government of Colonel Sitiveni Rabuka, complaining that it is being persecuted by "trade union colonialism", has appealed to Indonesia's Garuda Airlines and UTA of France to fill the void. The airline ban, to be imposed by the Australian Council of Trade Unions, is to protest against the jailing of labour leaders and the military occupation of Fijian trade union offices since last month's coup.

The ban could be averted if Colonel Rabuka makes a clear statement on fundamental trade union rights in Fiji, the council's president, Mr Simon Cream, said.

Fiji's Information Ministry accused the council of trying to wreck Fiji's economy, isolate its people and cut its traditional links with Australia. Japan Air Lines, Air New Zealand and Continental Airlines of the US have already suspended services to Fiji and a ban would be joined by Qantas, its Fijian carrier Air Pacific, and Canadian Pacific.

If the airline ban is imposed, together with the ship-

ping boycott, Fiji's faltering economy would be seriously damaged. An airline ban would jeopardize tourism—Fiji's second biggest source of foreign exchange—because Australians account for 43 per cent of the tourist trade.

Although Canberra has recalled its High Commissioner

Wellington—New Zealand said yesterday that it would withdraw three of its 12 diplomats as well as advisers working on aid projects from Fiji, and said relations with Suva must be more distant and cooler (Reuters reports). In a statement, the Foreign Minister, Mr Russell Marshall, said, however, that New Zealand would not restrict trade. He said that to do so would hurt the ordinary people, not those who had seized power.

and suspended its aid programme to Fiji, it has resisted trade union pressure to impose trade sanctions, saying this would do more harm to Australia than Fiji.

But Fiji officials, apparently fearing a headline policy from Canberra, have urged the national airlines of France and Indonesia to begin operations in Fiji, according to diplomatic officials. Both countries have shown support for Colonel Rabuka's republic.

Free trade in North America

Opponents of deal with US doubt Canada's survival

From John Best, Ottawa

An agreement between Canada and the United States calling for bilateral free trade has become the hottest political issue of the year—and possibly of the decade.

The issue has dominated the House of Commons question period practically every day since the agreement was hammered together in a late-night negotiating session in Washington on October 3. The bargaining, which had been going on for 18 months, had to be concluded that night to meet a deadline imposed on the Reagan Administration by the US Congress.

All remaining tariffs on trade between the two countries, which already amounts to about Can\$170 billion (£78 billion) a year, are to be removed over a 10-year period starting in 1989. But it is not only or even primarily the economic ramifications of the accord that are fuelling the torrid controversy here. In the view of many critics, the very survival of Canada is at stake.

This attitude was exemplified by Mr Ed Broadbent, leader of the left-wing New Democratic Party, when he stated recently: "I have very deep apprehensions that if this deal is consummated, within 25 years the Canadian border will not exist—that Canada will in fact be absorbed."

Agreement picked apart piecemeal

this week, an Opposition MP summed it up when he said: "The Americans get us for free."

The Liberals, the official Opposition in the House, and the NDP, are vying with one another in the vehemence of their attacks on the agreement worked out with Washington by the Conservative Government of Mr Brian Mulroney, the Prime Minister.

While emphasizing what they portray as the danger to Canadian independence, they have also been trying to pick the agreement apart in piecemeal fashion. One of their loudest quarrels is with a clause providing for free trade in, and mutual access to, energy supplies, which they claim amounts to a sell-out of Canada's abundant reserves of natural resources.

Now and then the denunciations turn into taunting opposition darts—so far spurred by Mr Mulroney—that the Prime Minister call an election on the free-trade issue.

For the past week or so the

skirmishing in the Commons has centred on what secret undertakings, if any, Canadian negotiators made to land the trade agreement which Mr Mulroney has long advertised as the cornerstone of his economic policy.

Every statement made by an American official outlining benefits the US stands to gain from the trade accord is seized upon by opponents here as further evidence that Canada got skinned by smooth-talking Yankee horse-traders.

For instance, President Reagan, in launching his campaign to sell the deal to what

Like waving a red banner to a bull

may turn out to be a highly dubious US Congress, told a New Jersey audience last week: "The US-Canada free trade agreement is a new economic constitution for North America." For the opposition parties here, this was like waving a red banner in front of a bull.

Mr John Turner, the Liberal leader and former Prime Minister, started off question period with a broadside. "The President is really saying that the Canadian economy is becoming part of a North American economy under American direction. Why did the Government of Canada sign a trade agreement that represents a new economic constitution for North America, a trade agreement that is a sell-out of our independent economic identity on the northern half of this continent?"

In reply, Mr Don Mazankowski, the Deputy Prime Minister, chided Mr Turner for making "unfounded statements" and pointedly observed that "this is an arrangement that has to be sold on both sides of the border".

Indeed, getting the agreement ratified is expected to be at least as difficult in the US as in Canada. Technically, Mr Mulroney hardly needs more than the approval of the Commons, where he has a top-heavy majority, although in practical terms he also should have the support of a solid majority of Canada's 10 provinces, whose interests are affected by the agreement. Most are believed ready to give their endorsement.

Mr Reagan has to find a way of getting the accord passed by an increasingly protectionist-minded US Congress.

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Faulty spy plane has to land in Norway

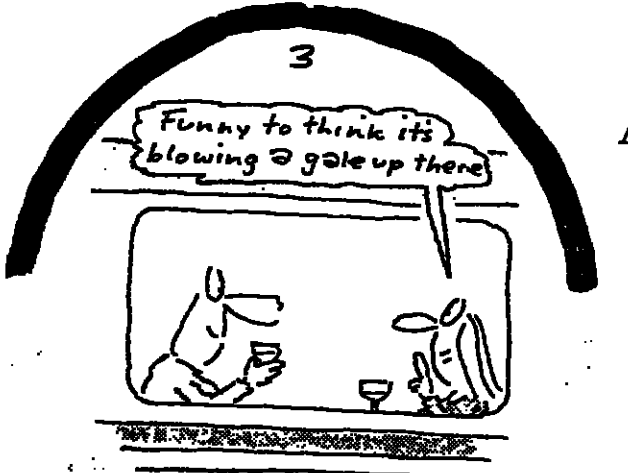
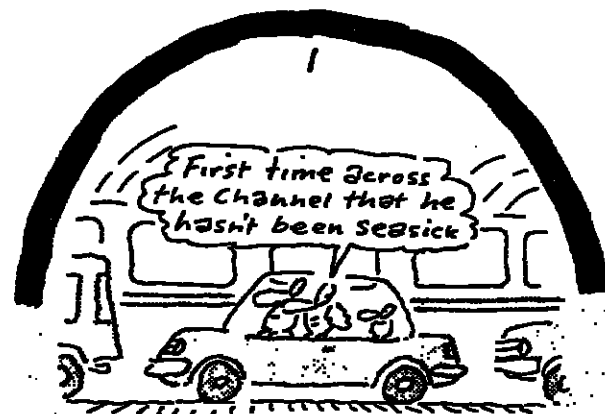
Oslo (Reuters)—A supersonic Blackbird, one of the United States' most advanced reconnaissance planes, made an emergency landing at a remote Norwegian air base after part of its electrical system failed, military officials said yesterday.

The pilot of the SR 71, as it is officially known, radioed Bodoe air base in northern Norway late on Tuesday, with a request to land because of generator problems. Major-General Per Uggard of the Norwegian Air Force Northern Command said. The aircraft was "probably in interna-

tional air space over the Norwegian Sea" at the time. Once on the ground, the two-seater plane was whisked into a nearby hangar to await a team of technicians flown to Bodoe on Wednesday from a US air base in Britain.

It was the second such landing in Norway this year. In March a Blackbird was forced to land at a military air base near Stavanger after losing power during a North Sea flight.

US embassy officials in Oslo said all information on the plane's mission and flight path was classified.



A breakthrough for Britain

Who is rooting for the future?

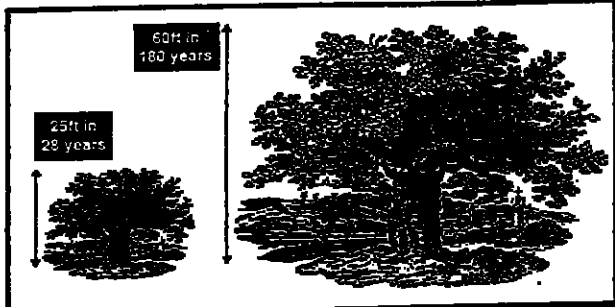
The destruction of millions of trees has left a changed landscape. George Hill looks at the need to restore our green and pleasant land

A week after the hurricane-force winds laid waste to some of the finest trees in the South of England, there are many areas of woodland where nobody has even been able to penetrate to examine the damage and count the cost.

First efforts have naturally been concentrated on clearing roads and removing immediate dangers, but the extent of the disaster is still incalculable and it will be months before its significance can be fully measured.

The overnight devastation of the rural and urban scene in the South-east has shocked the public into appreciating, perhaps as never before, the contribution that trees make to our lives. Money has been poured in to the appeals launched to help Kew Gardens, the Chelsea Physic Garden, the National Trust and the Woodland Trust repair their ravaged acres. The Government has promised to help councils with the immediate costs of clearing up and given the Countryside Commission £3 million to wards the cost of new planting.

But the initial gust of sym-



Branching out: how it takes years for an oak to fully mature

pathy may die down almost as soon as the storm itself, before the task of repair has seriously begun. And there could be more casualties to come if the winter brings its normal ration of gales. "We have only seen the tip of the iceberg of the storm's effect," says Derek Patch, the Forestry Commission's arboricultural adviser. "It is not easy to detect strained and twisted branches or root systems weakened in the soil and vulnerable to the next strong wind."

In Kent, visitors are still turning up to visit National Trust parks, and are highly affronted when they find them closed. One visitor even handed back his Trust membership card in indigna-

tion at being turned away for his own safety. In spite of the havoc in Kew Gardens, John Lonsdale, an assistant director, fears that when it is safe to reopen the gardens in two weeks' time, the casual eye will notice little difference except in the case of a few of the most prominent trees.

What the disaster ought to teach us is that the care and maintenance of our stock of trees is one of the longest of long-term tasks, in which each generation is working less for its own benefit than for that of those who will follow.

"We have got a very uneven age-structure in our tree population - too many of them are old, and the gale has pointed out that particular imbalance," says Mike Kirby,

assistant director of the Countryside Commission. "It is not so much policy in recent years that has been at fault; for the last 10 years we have been granting the planting of 300,000 trees a year in the South-east. But as fine specimen trees have got rarer, they have become so much prized that we have tried to keep them as long as possible, into their old age."

The emergency will put a desperate strain on experienced tree managers and woodmen. All authorities are hastening to warn landowners against the chainsaw cowboys ranging the land, with a stock of limp, cramped-rooted saplings ready to offer at premium prices. "What we lack is really educated planters - people who really understand trees," says Hugh Johnson, part-author of *The International Book of Trees*. "The great need is for more people studying them and being paid to study them."

The experience of the days since the storm has only reinforced the experts' first impressions of the extent of the calamity. "When I went out to see our parklands in the South, I was half expecting to find that the devastation had been exaggerated," says David Russell, forestry adviser to the National Trust. "But it is one of those rather rare situations in which things are as bad, if not worse, than they appeared at first."

Many of the Trust's historic parklands - laid down by Capability Brown and others two centuries ago - have been virtually destroyed. "In many situations it is a case of almost starting again from scratch and we must just try to reproduce the original pattern as far as we can," says Russell.

Many broadleaved woodlands have suffered as badly as the more open parkland, and the damage comes on top of decades in which their historic character has been diluted. Some estimates suggest that 80 per cent of the million acres of "semi-natural" woodland



The fallen: Victor Vincent, 82, Winston Churchill's former gardener, in the wrecked orchard at Chartwell, Chertsey, Kent

which survived in the 1950s have either been replanted with fir-tree plantations or disappeared altogether. For many years the policies of governments and the Forestry Commission were geared to large-scale production of timber rather than to amenity and the maintenance of traditional woodlands.

In recent years, the assumption that trees were something that could be taken for granted has given way to a more active approach. Councils, particularly in expanding towns like Peterborough, have planted thousands of trees for amenity purposes.

The Ministry of Transport has planted many more in the landscaping of their motorways. Special grants encourage landowners to plant hardwoods, and the Government has promised a "farm wood-

land scheme" involving 30-year grants for farmers who do their bit towards diminishing the EEC's food mountains by turning fields over to hardwood forestry.

It was the disaster of Dutch elm disease 15 years ago which did as much as anything else to revive public awareness of the need for constructive stewardship of trees. It taught us that if great trees disappeared as characters in our landscape, we would hardly know the place. Last week's storm probably killed fewer trees than Dutch elm disease did, but in its suddenness and its concentration in one corner of Britain, its psychological effect may be even more dramatic.

In towns, it is likely that public demand will eventually ensure that even hard-up

councils will raise a penny rate and, with Government help, will eventually restore the ravages of the storm - perhaps with a better stock of trees than the town planners' matchsticks which were skinned down so effortlessly by the downdraughts from tower blocks.

In the country, farmers may for some time be too crippled by the cost of removal to consider replanting. Clearing up alone on a typical 800-acre farm could cost £20,000, the Country Landowners' Association says. In the longer term, existing grants and the new farm woodland scheme may breed up woods and coppices which will compensate numerically for the trees lost last week, though in size and majesty they will hardly do so in our lifetimes.

But these will not be enough

to safeguard the landscape as we know it. It is not the regiments and battalions so much as the clumps and individuals which stand up for the principle of diversity in the monotonous large fields of hi-tech farming.

"I've yet to meet a farmer who plants potentially big timber because he thinks the landscape needs it," says Johnson. "Planting for game cover is a big thing, and it does help to compensate for past clearances. But there is no incentive to go easy with the hedge-cutter so as to give major trees in the hedgerow a chance to develop." Without a determined and sustained drive to replace what has been destroyed, our descendants will not only never know the countryside as we know it - they will not even be aware of what they are missing.

Sainsbury's bedtime savingz

Horlicks £1.09
Horlicks 400g

Sainsbury's COCOA 66p
Sainsbury's Cocoa 125g

Cadbury's CHOCOLATE BREAK £1.49
Cadbury's Chocolate Break 400g

Sainsbury's Chocolate Digestives 300g
49p 39p

Cadbury's DRINKING CHOCOLATE 63p
Cadbury's Drinking Chocolate 250g

Sainsbury's Malted Milk Biscuits 400g
49p 44p

Good food costs less at Sainsbury's.

Crafting a new image at school

Design has become the key word in the new era of craft teaching - and private schools are taking it seriously

Alongside the barrel-chested PE teacher, the main butt of that intellectual condescension for which independent school teachers are famous, must be the poor craft/design/technology man.

But now private schools have been forced to take CDT seriously. The Government's new national curriculum transforms a soft option into a compulsory part of the foundation curriculum and independent schools must comply or risk losing their registration. An added problem are the parents, who may not like paying for their offspring spending Friday afternoons learning metalwork.

But the subject's image is changing rapidly. This month a former headmaster of Stamford High School in Lincolnshire, opened its new £200,000 CDT block for the use of pupils who would once have been the least likely to be involved with CDT: girls of grammar school ability.

The lavishly equipped block

stresses the new key word in CDT - design. Upstairs the girls learn to design electronics systems using the latest computer technology; downstairs they can use a £4,500 computer-controlled lathe.

"Some of our parents are a little puzzled," says the headmistress, Gladys Bland. But she firmly told the governors of the £724-a-term school that they must keep pace with growing national demand and is encouraging the girls to consider careers in design and as "thinking engineers".

Independent school CDT teachers, who have always been left in the cold, now have their own curriculum development centre. At the Westminster Centre in Oxford they can tap into the expertise of a young man who has swept CDT up the list of priorities at a boys' public school.

"It has always been a Cinderella subject," says Colin White, who is sandwiching his teaching duties at Cheltenham College for Boys with directing the new centre.

Barclays Bank, the Mercers Group and the Smallpeice



Changing the image: Lea Bixley, 14, in Stamford High School's new £200,000 CDT block

"Most CDT pupils are from the lower streams. But I have been teaching it lately to boys from the top streams at Cheltenham and their work is really worthwhile."

Many schools still depend on one stalwart to teach CDT. The modern approach, with its emphasis on computer-aided design and new materials, requires at least three staff - a materials man, a computer man, a design man - as well as space and equipment.

Martin Rogers, chairman of the Headmasters' Conference, has crystallized the general panic in the independent sector into a call for a permanent £100 million industry fund to help private schools build CDT centres like Stamford's.

Barclays Bank, the Mercers Group and the Smallpeice

Trust have paved the way with £45,000 for the Westminster Centre, where White collects and collates information on new materials, samples and education packs available from organizations such as the Design Centre and the Rubber and Plastics Institute.

Says White: "CDT teachers in private schools are out on a limb," he says. "State school teachers have local authority advisers. Teachers in independent schools until now have had no help at all."

They also need retraining. White finds many who still emphasize "old-fashioned" skills such as carpentry. The centre is advising such teachers about college courses where they can brush up.

Parents are still, as White and Gladys Bland have both found, wary of CDT. Cheltenham College for Boys has set up a £300 scholarship in CDT, offered for the first time this year to a 13-year-old who impressed White with his painstakingly-made collection of "magic trick" props. The scholarship gives the subject a standing alongside the "academic" subjects.

"CDT is not just about being good with your hands any more," says White. "It is about practical problem-solving and pupils of all abilities can benefit from it. I think independent schools are, at last, beginning to realize this in a serious way."

Sarah Thompson

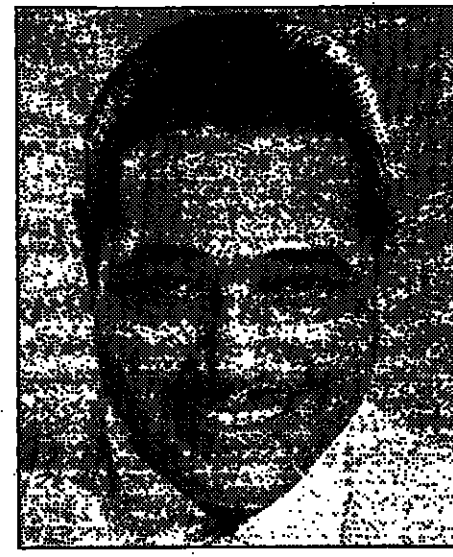
SATURDAY

Cotton Club clean-up

Duke Ellington's recordings at the Cotton Club in the Thirties were matchless but hardly scratchless. Now they have been picked apart and put back together by computer. In *The Times* tomorrow Richard Williams reviews the result

The sprouting city
Behind the lace curtains: an insider's guide to Brussels...

Shellfish behaviour
...and *The Times* Cook on mussels



CONCISE CROSSWORD NO 1394

ACROSS

- 1 Crayon (6)
- 4 Trickster (3,3)
- 7 Destroy (4)
- 8 Mind study (8)
- 9 Not particular (7)
- 11 Baby cloak (5)
- 12 Mrs William Heelis (7,6)
- 15 Moist, heavy (5)
- 16 Sri Lanka capital (7)
- 20 Primitive (8)
- 21 Muse of history (4)
- 22 Definitely (6)
- 23 Just claims (6)

DOWN

- 1 Trouble (7)
- 2 Rigid (5)
- 3 Jumps (5)
- 4 Rugged peak (4)
- 5 Give inappropriate role to (7)
- 6 Of the nose (5)
- 10 Regretful (5)
- 11 Fish group (5)
- 13 Morocco, Tunisia, neighbour (7)
- 14 Unruly (7)
- 15 Restrained, sedate
- 17 Happen (5)
- 18 Rotting soil cover (5)
- 19 Dismal, gloomy (4)

SOLUTION TO NO 1393

ACROSS: 1 Troupe 4 Cancel 9 Headset 10 Drama 11 Tidy 12 Tactful 14 Peppercorn 18 Aquatic 19 Urdu 22 Nervy 24 Prime 25 Prying 26 Uplift

DOWN: 1 Tahr 2 Okapi 3 Pussycat 5 Aid 6 Canines 7 Liabie 8 Stethoscope 11 Tip 13 Connubial 15 Equerry 16 Emsu 17 Catnap 20 Draft 21 Near 23 Yen

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"Does he really know about savings?" a girl whispered to Arthur. "Heavens no!" Arthur exclaimed. "He's never made a penny in all his life."

They Laughed When I Said I Saved With A Bank - But When I Explained Special Reserve!...

ARTHUR had just explained the benefits of the way in which he looked after his savings. The room rang with applause: I decided this would be a dramatic moment to make my revelation. To the amazement of all my friends, I confidently stood up and produced a Special Reserve leaflet from my cummerbund.

"Jack is up to his old tricks," chuckled the vicar. The crowd laughed. They were all certain that I hadn't a clue about savings accounts.

"Does he really know about savings?" a girl whispered to Arthur.

"Heavens no!" Arthur exclaimed. "He's never made a penny in all his life... But just you watch him. This is going to be good."

Making the most of the situation I unfolded the leaflet with mock dignity, and perched my glasses on the end of my nose, just as the Judge did when he wanted to appear particularly grave.

"What do you think of his deportment?" cried Miss Belcher from the rear.

"We're in favour of it!" came the reply, and the crowd rocked with laughter.

Then I Started to Explain

A tense silence descended on all the guests. The laughter died on their lips as I began to explain.

"There are many savings accounts that give you a high rate of interest. But this one is from a bank," I began, holding aloft the Special Reserve leaflet.

"If you have at least £2,000 deposited it will currently earn six and seven eighths per cent net. Payable quarterly."

"Above £10,000 the rate goes up to seven per cent Net."

Modestly, I have to confess that my audience appeared impressed.

"But you've got to be able to call on your

reserves instantly!" barked the Major. "First rule of battle and all that."

Miss Willikins giggled, certain that I had met my match.

"Allow me to continue," I replied, warning to my theme. "The beauty of this account is that provided the amount is £250 or more, one can make a withdrawal or a transfer instantly. With no loss of interest."

The silence that followed was broken only by the tinkle of the Major's monocle as it fell into his brandy glass.

"What's more," I continued, pressing home my advantage, "because Special Reserve is a bank account, you can transfer funds to and from your Current Account with a simple telephone call. No more trudging back and forth to do it."

From a corner of my eye I spied Arthur, somewhat sheepishly trying to hide the holes in his brogues.

I spoke on, and as I spoke I forgot the people around me. I forgot the hour, the place, the breathless listeners. Only the Special Reserve account was real. Only the interest and other benefits it brought me. It seemed as if my bank manager himself was speaking through me!

A Complete Triumph

As the last words of my explanation died away, the room resounded with a sudden roar of applause. I found myself surrounded by excited faces.

How my friends carried on! Men shook my hand—wildly congratulated me—pounded me on the back in their enthusiasm.

Everybody was exclaiming with surprise, asking excited questions...

"Jack! Why didn't you tell us you were a financial wizard?"...

"Where did you learn?"... "Who is your accountant?"

"I simply don't have an accountant," I replied. "And just a short while ago I didn't know one interest rate from another."

"Stop your joshing," laughed Arthur, "you've been studying for years, I can tell."

"I have been studying only a short while," I insisted. "I decided to keep it a secret so I could surprise you all."

I decided to tell them the whole story.

How I Learned to Save Without Lessons from an Accountant

"Have you ever heard of the National Westminster Bank?" I asked.

"NatWest. Press for action and all that," harrumphed the Major.

"Exactly," I said. "They have a leaflet that can teach anyone how this account works in just a few moments." My leaflet arrived promptly and I began that very night to study it. "I was staggered to see how easy it was to save in this way."

"Bully for them!" cried Miss Belcher. How do I get one?"

"By happy coincidence," I answered, "NatWest are currently publishing advertisements for Special Reserve in newspapers and periodical magazines. At the end of each one, there's a convenient coupon, or a telephone number allowing you to call free of charge."

At this point the scraping sound of chairs being pushed back filled the room.

"I say," demanded Arthur, "how late does your newsagent stay open?"

* * * * *
"Please send me more information about the Special Reserve Account."

Name _____ (Please write plainly)

Address _____

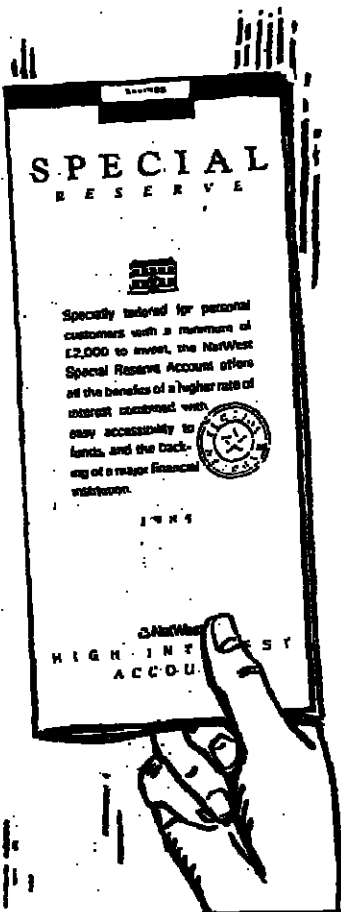
Postcode _____

Send to:
Special Reserve Manager, National Westminster Bank PLC,
FREEPOST, London EC2B 2ED

Or call free of charge 0800 282 702 Monday to Friday 8am to 8pm.

Interest rates may vary, but correct at time of going to press. Ask at your local branch for details of current rates.

NatWest The Action Bank



THE TIMES DIARY

By royal request

Every building in the parish of Sandringham, the Queen's Norfolk estate, is set to lose its official listed status after an unexpected and unexplained objection by Buckingham Palace. In an unusual move, Nicholas Ridley, the Environment Secretary, has bowed to the royal pressure and turned up a draft list compiled earlier this year of about 50 structures — from homes to lamp posts — deemed of architectural or historical interest by experts from English Heritage. Wollerton station, the estate's disused railway stop, is among the buildings stripped of their status. Delisting means they lose all legal protection from alteration or demolition. Although the Queen is not formally subject to planning law, private buildings in the parish are also affected and their owners can no longer apply for renovation grants. Yesterday, English Heritage confirmed that the Palace had intervened. Buckingham Palace would say only that the list had been withdrawn "on an unresolved technicality".

Going too far

War, said von Clausewitz, is the extension of diplomacy by other means. Except in the case of Iraq and Iran, he should have added. It has taken seven years of fighting for two countries finally to break off diplomatic relations. Having been under a state of siege in their embassy in Tehran for most of the war, the Iraqis have apparently now decided to throw in the towel. Turkey has undertaken the thankless task of representing each warring nation in the other's capital.

Single-minded

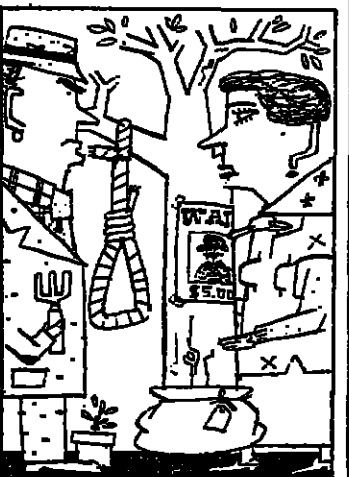
Seven American advertising agencies showed their true colours when asked by *Harper's* magazine to develop a campaign to depict the seven deadly sins. All of them chose lust. TBWA won the coveted slot and came up with the slogan: "Any sin that's enabled us to survive centuries of war, death, pestilence and famine can't be called deadly. Lust — where would be without it?" J. Walter Thompson's sloth effort ran: "If the original sin had been sloth, we'd still be in paradise." They might have done better had they stuck to gluttony.

So thrilling are the new weekly merger talks between the Liberals and the SDP that one negotiator, Dickson Mabon, is keeping a diary. But not a word about the contents will be revealed. The former Labour MP and founder SDP member modestly claims he does not know if it will merit publication, but assures me that he is a humorous man by nature, otherwise he would not be in politics. I say he needs to be.

Saloon no bar

Visitors to the Earls Court Motorfair were amazed at the leaflets being handed out by a south-east car hire firm yesterday. They read: "Why not join us for a drink (or two) on October 22 and test drive the best in local self drive." Richard Phillips, one of Atlas's directors, gulped when I rang to remonstrate. Recovering his composure, he insisted that drinks were for non-drivers or after a spin round Kent. I'm just glad they did not offer a leaflet to Peter Bottomley, the vociferously anti-drink Transport Minister who was patrolling the fair.

BARRY FANTONI



"What makes you say I got it from a cowboy?"

Castaways

The seas around the Orkneys are teeming, but not just with fish. Two enterprising boys, the only pupils of the primary school on the tiny island of Graemsay, have beaten 4,000 schools to win a £1,000 prize for collecting the most aluminium drink cans. As part of naturalist David Bellamy's project to plant trees in the Third World, David Thomson, 10, and Graham Ritch, eight, gathered 650 tins. Their teacher, Mrs Irene Mathieson, was quick to say this did not reflect the prodigious liquid intake of the 24 islanders, despite the island's first wedding for five years. No, the ingenious lads dashed down to the shore, where huge numbers of cans are washed up daily, and collected them before the tide could carry them out again.

PHS

Trident: how independent?

by James Eberle

The government has moved quickly to deny the rumour that the Trident missiles which will form the backbone of the next generation of Britain's strategic nuclear deterrent are to be leased from the US government rather than purchased outright.

Opponents of an independent British nuclear deterrent have attacked it on the grounds that it was not truly "independent". These criticisms were unclear because they did not differentiate between independence in a political, technical or operational sense. Operational independence, which is what really matters, is determined by who has the capability of authorising, ordering and eventually carrying out the physical processes of firing the missiles and arming their warheads. For the Polaris system that capability has always been in the sole possession of the British government — as it will be for Trident. The criticisms were therefore unfounded.

While operational independence concerns only matters of substance, political independence concerns both substance and symbolism. In the Nassau agreement of 1962, under which the US agreed to supply Polaris missiles to Britain on a continuing basis, it was stated that they would be

assigned to Nato as part of the alliance's strategic nuclear deterrent — "except where Her Majesty's government may decide that supreme national interests are at stake." It was this statement that provided the substance of the British government's legitimacy in claiming political as well as operational independence, and in having national targeting plans in addition to Nato plans.

But symbolism also plays its part. Thus the British Polaris submarine force operates entirely separately from that of the United States and from Nato. While the Polaris missiles are assigned to Nato and their Nato targeting is determined by the Supreme Allied Commander, Europe, the submarine force, the missiles, and the carrying bases, are carried remain exclusively under British command and control. The US does not know where our operational ballistic missile submarines are, nor do we know the whereabouts of theirs.

While the British government's case for the political and operational independence of the British Strategic Nuclear Force has been well established, there has been more uncertainty over the claim

for technical independence. Critics have argued that the operational effectiveness of the British Polaris systems is determined by the availability of spares which can be purchased only from the United States. Thus, if the US were to renege on its agreement to supply Polaris missiles "on a continuing basis", the missiles would soon become non-operational. This criticism was answered by the response that there was no reason to believe that future US administrations would not continue to honour the Nassau agreement — and that anyway enough spares had already been bought to see the missiles through their expected life. Furthermore it would be possible in extremis, although at high cost, to manufacture some spares elsewhere.

The situation with regard to technical independence has been taken a step further with Trident, for while Polaris missiles are serviced in a Royal Navy armament depot, it is planned that the Trident missiles will be serviced in an American depot. This will save Britain a lot of money through not having to build special handling facilities

ourselves. But the concept of national technical independence in weaponry is rapidly disappearing. Increasingly, advanced systems of all countries contain components, technologies or assemblies that are manufactured abroad. Even the US depends on Japan for a number of electronic chips — a fact which lies behind some of the trading disputes between these two countries. European weapons similarly rely on some US components and technologies. It is likely that the day of full national independence, in this sense has gone for ever.

Yet it is essentially a symbolic issue that is now rearing its head over Trident. Whether missiles are purchased or leased is a difference about the method of payment — and in these days when money is so tight, whether a neighbour's car has been acquired by a full payment, by hire purchase or by a leasing agreement. Nevertheless, the government is right to move swiftly to dispel the idea that the missiles are to be leased rather than purchased. In nuclear deterrence, symbolism is as important as substance, as the French so clearly demonstrated. *Admiral Sir James Eberle is Director of the Royal Institute of International Affairs.*

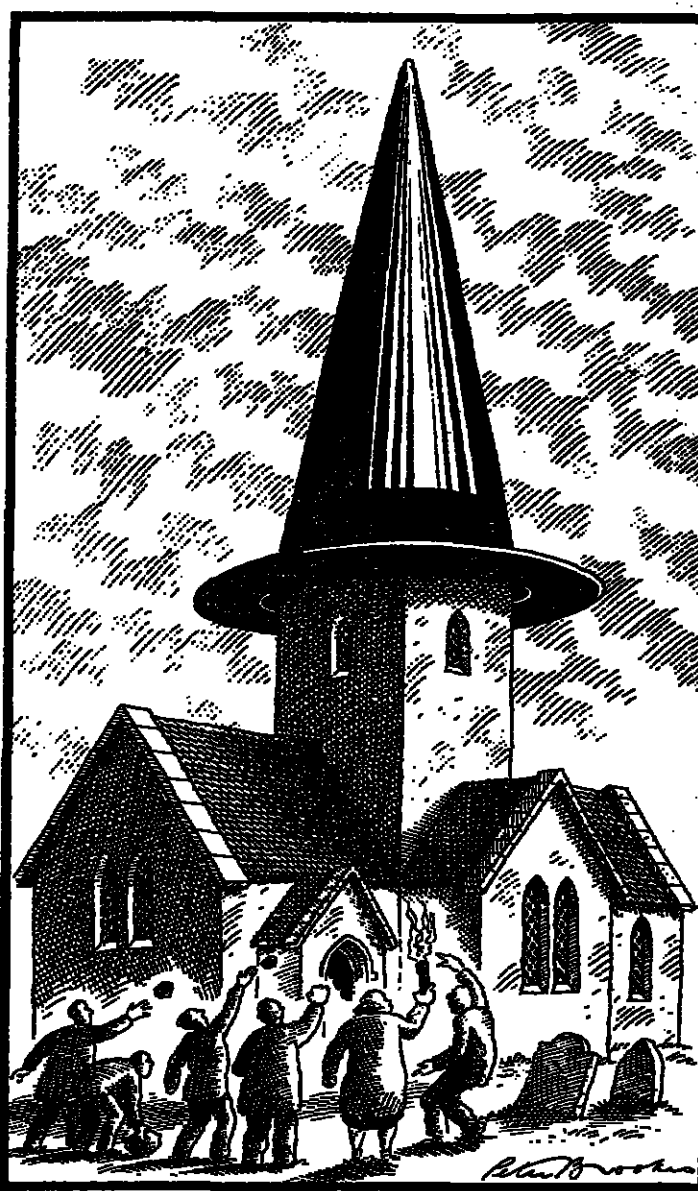
An Anglican backlash

There is said to be at least one Anglican deanery in London where more than a third of the clergy are homosexual. Those who know the scene well could name half a dozen nationally prominent churchmen who are, at least by long-standing reputation and good evidence, the same. And "homosexuality" in this context means not just a disposition of character, but an activity. Against this background, to table a proposal to outlaw homosexuality in the church is to light a fuse under a barrel of gunpowder.

But that is exactly what is intended. The alliance of conservative General Synod members who have decided, in the words of one of them, to "call a spade a spade", are embarking on a moral crusade every bit as important to them as the theological crusade against the Bishop of Durham, and just as likely to rock the church to its foundations. Indeed they are the same people: the mover of the Synod resolution is the Rev Anthony Highton, who organized a national petition against the Bishop of Durham in 1984, and his principal ally is the Rev David Holloway, who led the Synod attack on the bishop's views on the Resurrection.

It is not only a backlash in the church against "permissiveness" in sexual morality or against one maverick bishop, but a counter-attack against the well-worn accusation that the Church of England believes nothing and permits everything. It is impatient with those who object that life is not so simple that everything can be reduced to black and white, and believe that the broad-mindedness and tolerance of the established church is its greatest asset. Between the two is a gulf so wide that in other circumstances they would have split by now into two separate churches. One day, they might do just that.

The homosexuality issue is the purest example of this unofficial schism. On the one side are those for whom the essence of Christianity is revelation: that God has disclosed once and for all the moral rules by which mankind must conduct itself, and all arguments must fall silent in the presence of His Word. So when St Paul categorically declares that "sodomites" or "male prostitutes" or "homosexual perverts" (depending on how 1 Corinthians 6:9 is translated) are barred from the Kingdom of God, that is the end of the matter. Nor did St Paul invent his strictures against homosexuality: they are implicit or explicit throughout the Old Testament. It is a most powerful argument, and not the least of its power is the way it still corresponds to popular feeling. On the other side, Christianity is seen as a process of discovery, a journey through history, and all its inherited teachings must be measured against contemporary experience and later knowledge. So the question must be asked: did St Paul



Witch-hunt or a belated reassertion of Christian values? Clifford Longley considers the possible repercussions of the campaign against homosexuality

really understand homosexuality? Did he appreciate, for instance, that the homosexual, heterosexual or bisexual condition is a basic psychological trait which predates any moral choice; or that homosexuals can and do enter stable and faithful relationships which are parallel to marriage?

Either St Paul's arguments are rejected as untenable because we know more than he did, or his words can be heavily reinterpreted as an attack on prostitution, promiscuity or carnality in general. He was, in short, a man of his time, and a bit of a prude. The obvious danger to Christianity is that virtually every bit of it can be whittled away by such special pleading, leaving nothing much more than a generally benign disposition towards all humanity, with nothing to say to any of it except perhaps "Please be nice to one another".

If between 5 and 10 per cent of the population are homosexually inclined, then at least 5 to 10 per cent of the church's membership will be likewise. For reasons which are obscure — though an explanation would be fascinating — the proportion seems to be rather higher among the clergy. Most are still "in the closet"; a few have "come out". The Gay Christian Movement has hundreds of clergy on its books, but is not handing out lists. Like all homosexuals, such clergy once had to indulge their passions in shame and secrecy, while publicly committing themselves to a life of celibacy, and this atmosphere of suspicion has not completely disappeared.

What is new is the claim, influenced by the gay liberation movement in the secular world, to have the same rights as heterosexuals, and to be judged by the

same standards. And what is even newer is Aids, a disease whose victims — in the West at least — have been mainly homosexuals. Just when "homosexual liberation" seemed to have gained a foothold of respectability, in society and even in the church, all the old prejudices have been stirred by a virus that many saw instantly as the curse of God.

In the Church of England in particular, a backlash was awaiting its moment, and Aids triggered it, challenging the Sixties' assumption that sexual pleasure was there for innocent enjoyment to which everyone had a right. So while Aids is not the reason being advanced for the restoration of traditional values, it is undoubtedly the reason why the campaign stands a chance of success.

The Gay Christian Movement has labelled the campaign a "witch-hunt". It wants the church to judge homosexual activity not as sinful in itself but by the circumstances — as heterosexual activity is. Here it is not St Paul who presents the real objection, for he never defined what he meant by homosexuality, but the 2,000-year-old Christian tradition called Natural Law. According to Natural Law the "natural" purpose of sexual intercourse is procreation, and so any departure from that is "unnatural". Homosexual acts are thus unnatural acts. And that, until very recently was the verdict of 2,000 years of Christian tradition.

This is undoubtedly the view which drives the grassroots conservative backlash against homosexuality in the church; but the new fundamentalists who have taken up the issue are looking for other prizes. They are by no means strictly Evangelical: among those wanting the Church of England to stiffen its moral and doctrinal creed is the Bishop of London, Dr Graham Leonard, who is the leading Anglo-Catholic bishop. They want the Church of England to "stand for something" again, to return to its traditional moral and doctrinal roots. Above all, they want to rescue the church from what most of them would call its wishy-washy trendiness — swallowing, as it were, the Gospel, each new liberal fashion.

So the church campaign against homosexuality is part of a wider hope: to squeeze the central ground from both sides, in order to change the face of Anglicanism in general. Though from different ends of the theological spectrum, representing conservative Anglican Protestantism and conservative Anglican Catholicism, they have in common their distaste for the liberal morality and reductionist theology which has dominated "middle Anglicanism" for more than a generation. They are, so to speak, the Church of England's opposition party, bidding for power.

pinpoint guerrilla attacks in the better-reported hours of parliament rather than an endless grind against the massive Tory majority in late-night lobbies.

Labour believes that real opportunities exist, particularly since the world stock market upheavals that have taken the gloss off the privatization programme. It has seen its chance to come forward as the champion of the individual consumer while representing the Tories as the party of big business.

However, Labour cannot make too much hay on the economy — not after all Bryan Gould's talk of leap-frogging Mrs Thatcher on wider share ownership and when there is every sign of the Chancellor being able to come up with another 2p tax cut.

There is, too, a fatal weakness in Labour's position. Neil Kinnock gave the game away in an interview on Wednesday when he said: "It would be an impoverished government that only had the defence of saying 'Yah Bo, tell us what you would like it to be their policies which are on trial'."

Impoverished or not, the Tories did, after all, collect a majority of 101 for a campaign which boiled down in the end to: "We're doing very nicely, thank you. Don't let Labour ruin it."

Robin Oakley
Political Editor

John Grigg

Playing the power card

Always slow to take advantage of new technology, I have not yet acquired a phonocard. But I like the new telephone boxes and am sure that the card machines are a good thing.

So far there are about 8,000 of them, out of a total of 78,000 public payphones in the country. And one of the benefits to be expected of them — less vandalism — is already evident. According to British Telecom, they show "a very real difference" in that respect, compared with coin payphones. It is obviously sensible to deny potential vandals the motive of financial gain, leaving only the blindly destructive urge, against which it is hard to find any mechanical protection.

To British Telecom, the reduction of vandalism must, however, be a secondary consideration, the more important motive for installing the new machines being to secure earlier payment without the trouble and cost of emptying coin-boxes. The Japanese already have a much larger proportion of their public telephones operated by card, though vandalism is scarcely a problem in Japan. Clearly, the motive there is economic.

Because there are so many laggards like me, the new machines are never, at present, placed on their own, but always in company with a coin machine. Yet their number is sure to increase rapidly, and no doubt it will soon be as normal to carry a card for this purpose as for withdrawing money from a bank.

The principle of using cards or tokens as an alternative to coins is no less applicable to gas and electricity meters on private premises, many of which are still coin-operated. Out of 16 million domestic gas meters in the country, about 14 million are combined with coin machines; out of 20 million domestic electricity meters, about 14 million.

It might be thought that British Gas, now privatized, would have moved faster than still-nationalized Electricity to convert from coin to card, but in fact the opposite seems to be true. Gas is experimenting with cards and tokens, but the about the middle evaluated until next year. Electricity, meanwhile, has installed 80,000 token meters, and 366,000 more are on order.

(History does not support the current dogma that private-sector concerns are necessarily better run than those in the public sector. Perhaps the most efficient, economical and innovative of all British enterprises in the Victorian age was the public-monopoly postal service. But it was, significantly, presided over by a minister of the Crown directly responsible to Parliament; not a corporation of the type later favoured by the 1945 Labour government, accountable neither to Parliament nor to shareholders.)

The case for getting rid of coin meters in private houses or flats is very strong, on economic and security grounds alike. Paradoxically, the poor are always more

likely to be robbed than the rich, because their homes tend to be the softest targets. The presence of an accumulating deposit of cash in a small terraced house or tower-block flat inevitably creates a feeling of insecurity in the occupant, especially when he or she is living alone, elderly and/or infirm.

The actual statistics of coin-box robberies may not, on the face of it, be all that alarming, and are anyway falling. In the Metropolitan Police area only 729 were recorded in 1986, compared with 1,445 in 1985. But the true figure may well be higher, and in any case it is impossible to quantify fear. Beyond question people who have such machines in their homes would be safer, and above all would feel safer, without them.

All the same, some will be reluctant to say goodbye to domestic coin meters. Though they entirely lack the sentimental appeal of some other obsolete features of life, such as candlelight, horse transport and steam trains, they nevertheless have practical advantages for the poor, to set against the danger that they represent. Paying for gas or electricity by coin means paying as used, and when the service is used, whereas cards or tokens involve payment in advance enables lodgers, or skimming, stay-at-home members of a family to waste fuel and power while the wage earner is out at work.

From the point of view of those who administer the services, domestic coin meters are less economical, even with the slightly increased charge that they carry. They are also prone to robbery from within as well as from without. To the desperately poor or improvident householder they are a standing temptation, and it is hardly surprising that thefts from such machines often turn out to be inside jobs. On balance, it seems that the interests of all concerned would be best served by phasing them out as quickly as possible.

In the Brave New World of the future, in which technological advance may be matched by the emergence of a more or less universal property-owning democracy, domestic card or token machines will follow the coin-operated ones into oblivion, and what is now by far the most common way of charging for gas or electricity — a man coming to read the meter, and then a bill through the post — will be equally out of date. The present small army of inspectors will become redundant. Domestic meters will be read electronically, by remote control, and payment will be by direct debit.

When that time comes some people may miss the gas-man's knock on the door (less to be dreaded than that of the secret police in less fortunate lands), and the electronic reading of meters may cause some unease. Human contact may seem to have been lost without true privacy being gained. But the day of total automation is probably still quite a long way off.

however... Henry Stanhope

One long gale of laughs

Well, guv, 'ow did yer get on in the storm then, eh? Brings out the best in the old Brits, somethin' like that, don't it? All the looting, the skiving, the cheapjack building, the laughing at the bloke next door what's got a conker tree lyin' on 'is Porsche...

My mate Fred 'I was telling you about, 'e 'ad a great time 'e did. Well, stands to reason don't it — a right villain like that. Must have thought 'is bleedin' benefit season 'ad started...

Yer know guv, he were out with 'is lorry at dawn, offering to 'elp old ladies get flamin' great trees outta their green'ouses and such like — and chargin' 'em their pension for the privilege. Like the chain saw massacre it were, when Fred got goin'...

I 'eard some post old bird sayin' 'ow grateful she were for 'is 'elp. 'How very kanked of you my man,' she said, in one of them 'Ampters' 'Eath accents. Know what I mean? An' there were Fred, touchin' 'is cap, all 'umble like, sayin' 'Not at all lady' and 'ow 'Everyone should 'elp 'is neighbour in such terrible times, ma'am'...

Cor blimey guv, if only she knew! Well, I saw 'is lorry, didn't I? Filed 'igh to the roof it were with wood 'e was carrying away. But it weren't all from 'er tree, I reckon 'alf 'er fence were in there, 'is summer garden seat, part of 'er summer 'ouse and a few selected tools he'd found lyin' around. An' 'e 'ad the nerve to take a tip! Well, I don't mind tellin' yer guv, if I 'ad a bit of money stacked away, I'd make flippin' sure I steered clear of Robin 'Ood'...

They was all goin' on about storm damage down our way. But 'alf of it were Fred damage if you ask me. He 'ad a piano in the back at one time — don't tell me that were an act of God...

Yer know what? Next day, there 'e was, out again with a new sign on 'is lorry sayin' Roof Repairs. Roof repairs! No word of a lie, guv, if there's one thing Fred can't stand, it's 'eights. Put 'im on a chair and 'e comes over all faint like. On the other 'and, if there were a chance of nickin' some slates or pickin' up a few quid when everyone's flappin' around like a rat up a drainpipe...

There's 'is feller near me. One o' them yuppies. Pint-sized little runt, but looks like 'e's swowned the cream — talks like it too. Bought three tichy 'ouses in our row, knocked 'em together and did 'em up like — this 'ere gentrification. Smashin' inside it is — or so they tell me. Oriental carpets, these 'ere water beds, white telly, 'idden lighting, piped hi-fi... Must 'ave cost 'im 'is weight in Krugerrands...

Anyroad, this poor geezer lost so many slates on account of the hurricane that 'e 'ired Fred to put 'em back on 'is 'im. Can you imagine it, guv? Like making Houdini chief warden at Wormwood Scrubs. When Fred asks for cash, he pays up like a lamb. Well, I saw Fred drivin' away with a tarpaulin over the back of 'is lorry — 'idin' all the lead I shouldn't wonder...

Then what 'appened. Well, the rains came didn't they — an' the water 'eats clean through Fred's bit of sidewalk like 'is 'ere 'ere there — right through the 'ouse, over the carpets, new suite, antique furniture... ruined the lot. I feel real sorry for that bloke and 'is missus. Heh heh heh...

Mind you, it's a good thing in one way that Fred asked for cash, 'cos I 'eard down the boozer that 'is geezer's lost 'is shirt in the City this week. Really got 'is come yuppance, as you might say. Heh heh heh...

'Ere we are then guv. Ten quid on the clock. See you 'ad a bit o' damage yerself. Well, those chimneys are bleedin' 'eavy, ain't they? Tell yer what, though, if some feller comes round with a 'orry, sayin' 'igh Class Building Contractor and Decorator and sovin' till 'is Fred, nail everything down till 'is gone. Still, you gotta laugh, eh? God bless yer guv. And mind 'ow yer go...

ing the
er card



1 Pennington Street, London, E1 9XN Telephone: 01-481 4100

LETTERS TO THE EDITOR

OF INDEPENDENT MEANS

The independence of Britain's independent strategic deterrent has been the cause of controversy since the Nassau Agreement a quarter of a century ago. At various times there have been doubts about its strategic and deterrent value too. But once the decision was taken to purchase a system from the United States — first Polaris and now, from the mid-1990s, the Trident D-5 — the "independence" question is the one which has caused the most legitimate concern.

The worries are, of course, linked. If the deterrent is not independent, it may not in all circumstances deter. From a strategic point of view, the Soviet perception that there are three separate nuclear decision-making centres in the West, in Washington, Paris and London, makes Soviet decision-making much harder.

It is, therefore, not surprising that this week's revelations from the British submarine base at Faslane have caused more than a little nervousness in Whitehall. The suggestion that the Royal Navy is only renting or leasing Trident is alarming.

The ensuing row has only partly clarified the position. A D-5 missile, once in service with the Navy, will need maintenance every seven years. When that happens it will be taken to the American facility at King's Bay, Georgia, where it will be stripped down, reassembled and returned. It will not necessarily, however, be the same identifiable missile; it will be a new assembly of components.

In that sense, it is perhaps a philosophical rather than a practical question. Other questions are more weighty, however. These include the matter of where the authority lies for deciding which missiles need servicing,

how many at a time, and at whose convenience the decision to take a missile out of service is made. It is of real concern that some of those associated with the Trident D-5 servicing agreement do not appear to have considered these questions, more than five years since it was signed.

The independence of the British deterrent for the next 25 years will never be easy to assure. The Government may have to resist pressures from parts of American administrations (as yet unselected and unknown) to include it in arms-control agreements which are against the British national interest. British and American decisions actively to deter Soviet threats may not always be precisely the same.

It is in the interest of Britain and the West that Trident missiles could be plausibly fired from British submarines in the event of a breach, however temporary, with the US. Everything must be done to keep the British Trident system as independent as possible — also that it should be seen to be so.

Defence ministry sources are confident that, if yesterday's worst fears turn out to be well founded, Britain could maintain its own rockets in an emergency. There has already been an accumulation of knowledge here about the system. It would be valuable to have some official reassurance.

One certain danger of alarms like this lies in the alarms themselves. Deterrence is based to a great extent upon confidence at home and bluff abroad and should either of these fail, the value of the deterrent will be lowered. The events of this week may at least have reminded Whitehall of this reality.

A WINDFALL FOR THE EXCHEQUER

Mr Nicholas Ridley confirmed this week that he possesses unique political gifts. Who else but the Environment Secretary could have managed to be beastly... to trees? It takes special talent to convey an impression of insensitivity to the destruction of English woodland; yet with his remarks about chopping up the loved ones for firewood he managed it.

Mr Ridley's political instincts are often worthy of respect; it is the way he expresses them that makes him something of a liability to his colleagues. On this occasion Mr Ridley's instincts were, maybe, to emphasize the accidental nature of the storm, perhaps even cultivate that attitude which accepts risk as part of natural and economic life. What came out of his mouth last weekend, however, was crude condemnation of the Meteorological Office, the minister apparently joining those who felt the need for a scapegoat. No wonder that the local authorities petitioned him for assistance.

Mr Ridley might justifiably have made two offers in reply. One — and he was quick to offer a homily along these lines — was a reminder that a prudent local authority sets aside a contingency fund to help pay for storms and other acts of God. It is a sign of how imprudent the London local authorities are in their modern budget-making that most have abandoned even the pretence of such allocations.

The second — and he has now done this — was to put into effect the financial arrangements for emergencies that were invoked in the snow emergency of winter 1981-82: the Government steps in, paying 75 per cent of extra outlays, once the councils have spent above a threshold amount.

So far so good. But there is a snag. Mr Ridley's officials say that expenditure from contingency reserves will not count for the

purposes of the so-called grant penalties. Thus, only an idealized ultra-prudent council, which foresaw (at this stage in the autumn) having to spend several million pounds on tree and road clearance, would be unaffected.

Where is such a model, prescient authority? It certainly is not to be found among the Conservative shires, whose efforts in storm clearance have been so impressive during the past few days. They are mindful that it was only a few years ago that Mr Ridley's predecessor was berating them for carrying too large "balances" (another name for contingency reserves) from one year to another. They have cut down their unallocated funds.

Nor is Mr Ridley's model to be found among the London boroughs, whose performance in clearing the streets has been so much more impressive than their critics might have thought. In other words, his model local authority does not exist.

In the real world where trees have fallen both types of council are spending money on the emergency from their central budgets. The grants system works in such a way that for every pound of spending on tree clearance the councils may lose £1.50 of rate-support grant which the Treasury claws back. This is a nonsense. Mr Ridley could easily correct it by excluding councils' spending on the emergency from the totals used for grant purposes. He should do so.

By his own account the grants system is played out and will shortly be replaced by the new poll tax arrangements. It would take nothing from his general offensive against council spending for him to think again about the arrangements for clearing up the storm damage. Sometimes — this is such an occasion — it merely gets a minister and his Government a bad name.

AFTER DIPLOCK

One of the aims of the Anglo-Irish Agreement between Britain and the Irish Republic was declared to be the improvement of the criminal justice system in the North. The ministers from the two countries who meet under the auspices of the Agreement have discussed a range of possible changes, but the key item on the agenda has been the composition of the bench in the criminal courts in Northern Ireland trying terrorist cases. Since 1973, judgment in these "Diplock" courts has been given by a single judge sitting without a jury, a limitation made necessary by the fact that jurors were liable themselves to become the victims of intimidation or violence.

The first observation to be made about this debate is that it is a healthy one. Any government which has been forced to abolish juries for fourteen years in part of its jurisdiction is committing an act of avoidable foolishness if it allows itself to be portrayed as slow-footed in thinking or acting about reform. Since the Agreement was signed, the British government has managed to give that impression — not because of any rigid attachment to the Diplock courts, but because ideas inside Whitehall about reform are confused and slow-moving.

The Irish pressure for three-judge courts has been set alongside British hopes that the present Irish government of Mr Charles Haughey's Fianna Fail will finish the legislative work aimed at easing the extradition of terrorist suspects from South to North which he inherited from Dr Garret Fitzgerald's Fine Gael. Neither change is specifically required by the Anglo-Irish Agreement. Both would be moves in the right direction.

But the proposed change in Dublin's

extradition legislation is the final stage of a process which the present Irish government has not rejected and which simply looks likely to be delayed for bargaining purposes. The reform of the Diplock courts is not yet a commitment by the British government, let alone legislation in the works. The two matters were never of equal weight or kind and cannot be made so now.

The Government should not be discouraged from change by the suggestion that this is a slight on the decisions of those who have sat as single judges. Taken to its logical extreme, this would render any return to the normal British arrangements for criminal courts impossible. All the indications are that the quality of justice dispensed by single-judge courts is high; but it is, of course, not easily seen to be so.

The remaining objections have been practical: too few judges for the number to be easily or quickly tripled. In a divided community, how could a two-to-one decision avoid being seen in sectarian terms? In the Republic, trials of judges in terrorist cases are required to come to a common judgement; this would be inconsistent with current practice in the United Kingdom.

The Government has considered returning more cases to the jury courts and it should pursue this line of thought. But in addition some form of further visible check on the present sole judgement would be a great step towards eventually bringing court practice in the North back into line with the rest of the UK. Two assessors sitting alongside the judge would be a practical step and a powerful indication that the government does not consider the status quo to be permanent.

Core curriculum

From the Headmaster of Durham School

Sir, I cannot agree with Mr McDougall (October 14), who suggests that an extra hour on the school day would bring great benefits to the education of 90 per cent of our children if by that he means that the time spent "being taught" is to be increased.

While it is true that the day pupils at this school do not go

home until 9 p.m., the total time spent during the week by a pupil in the classroom is probably very much the same as in the State system. The suggested maturity of the private-sector candidate for university is surely due to the vast range of activities to which that boy or girl has been exposed in the course of each and every day for several years.

If the extra hour suggested could be utilised to widen the experience

and horizons of every youngster in the fields of physical, cultural and, indeed, spiritual activities, then not only would we have a more mature, more complete person as a result, but my experience leads me to believe that that person's academic standard would also benefit substantially.

Yours faithfully,

M. A. LANG, Headmaster, Durham School, Durham.

Reflections on market turbulence

From Mr Andrew Pearce, MEP for Cheshire West (European Democrat (Conservative))

Sir, The current disturbances in the stock market, following the wave of allegations of City frauds, point out how far the City has gone from its true purpose of providing capital for trade and industry and a safe haven for people's savings. An obsession with the short-term and an atmosphere which encourages people to play the City rather like bingo serves only to benefit the "get-rich-quick" boys in the City.

This is not the capitalism which is the bedrock of Conservative philosophy. The City has become merely a means for people in London's stockbroker belt to get rich at the expense of the country's trade and industry, which is starved of long-term capital and of commitment by its owners to efficient long-term management. It has become a drain on those of us who live in what I call "outer Britain", i.e. away from the London commuter belt.

There must be reform. The present situation is no advertisement for Conservative policies.

Yours faithfully,

ANDREW PEARCE, 30 Grange Road, West Kirby, Wirral, October 20.

authorities should be calling for more controls and better design of the computing infrastructure.

Yours faithfully,

GRAEME WARD, Group Chief Executive, Finite Group plc, Genesis, 341 Midsummer Boulevard, Milton Keynes, Buckinghamshire, October 21.

From Sir Brandon Rhys Williams, MP for Kensington (Conservative)

Sir, While the major trading countries pursue autonomous policies of internal economic management it is inevitable that conditions in the main financial centres will vary and that markets will notice the fact.

The variations can be accommodated by changes in rates of exchange, or currency adjustments can be temporarily postponed by official intervention — in which case there will be unwelcome variations in the ruling rates of interest in the different centres instead.

Though plainly overdone, the rapid fluctuations in share prices of recent days are a reflection of the fact that markets are suffering from measures of official intervention which are certain to be defeated in the end — the concerted attempts of national central banks to prevent the decline in the relative value of the dollar against the yen and the EEC currencies.

Since the United States Government is not correcting its deficits, dollar devaluation obviously has to come.

Yours faithfully,

BRANDON RHYNS WILLIAMS, House of Commons, October 21.

From Mr Kenneth D. Buck

Sir, The recent enactment regarding apparent surpluses in pension funds must create doubts about the future reliability of many funds, as highlighted by the fall in the stock market.

As pensions are rather important to the retired and those anticipating retirement, perhaps a further Bill should be in course of preparation.

Yours faithfully,

KENNETH D. BUCK, Griffiths & Armour, 101 Derby House, Exchange Flags, Liverpool 2, October 20.

From Mr Graeme Ward

Sir, Whilst, at a superficial level, stock market computers appear to be sophisticated, the actual bargaining and decision support methods are naive in the extreme. If a share price passes a predetermined check-point then a buy or sell instruction is issued quite irrespective of the overall market conditions, the behaviour of other shares, or the impact on eventual holders of the securities. Thus, the further the market falls, the more sell instructions are given, leading, ultimately, to a market meltdown.

With the closing of the floor of the London Stock Exchange the chance of those who have experience of previous bear markets calling for sanity and calm is much reduced.

If riding the big dipper turns out to be exhilarating and not damaging in the longer term, perhaps it does not matter. If, on the other hand, real harm is done to the global economy, then perhaps the

objective of the NHS to endeavour to clear its waiting lists and I quite agree that there must be many simple procedures that can be carried out in a day-centre. But an operation for varicose veins is not one of these. It is a tedious, sometimes difficult operation which demands unhurried skills on the part of the surgeon.

Ten per cent of the population (five million people) have varicose veins. Please let us not have yet another venous disaster, such as occurred in 1966 when hospitals were persuaded to transfer varicose-vein patients to out-patient departments for treatment by injection — a method which, it is now agreed, has a 90 per cent failure rate within nine months.

Yours faithfully,

STANLEY RIVLIN, 3 Upper Harley Street, NW1, October 16.

Day-centre surgery

From Mr Stanley Rivlin

Sir, In the current search for means of cutting hospital waiting lists advocates of day-centre surgery have again come to the fore, making the common error of lumping varicose veins with minor lumps and bumps, hernias, vasectomy etc as suitable objectives.

Day-centre surgery is unsuitable and, indeed, dangerous for the full operation on varicose veins. This is due, in part, to the length of the anaesthetic. An anaesthetic for a simple hernia, on average, may last for 30 minutes; that for one-leg varicose veins, if the full operation is being performed, will last for an hour and a half and, for two legs on the same patient, up to three hours.

It is, of course, a laudable

time Mass". This Mass also is still permitted, to a limited extent.

The Vatican's real concern has been to secure Archbishop Lefebvre's acceptance in principle of the authority of the Council and the validity of its reforms in such areas as religious liberty and ecumenism as well as the liturgy, while the act which resulted in his suspension from the official ministry was that of ordaining priests without authority.

It would be unjust if Latin, for so long a symbol of Roman Catholic unity, should come to be regarded as a sign of rebellion. Insofar as the liturgy has entered this dispute, it is a question of rite rather than language.

Yours faithfully,

EDWARD BARRETT (Vice-chairman, Association for Latin Liturgy), 20 Cambridge Road, SW11, October 16.

Rebel archbishop

From Mr Edward Barrett

Sir, The report from your correspondent in Rome (October 14) of a further meeting between Archbishop Lefebvre and Cardinal Ratzinger indicates that reconciliation may at last be near.

It might be helpful at this stage to dispel the popularly-held misconception that the rejection, or otherwise of the "Latin Mass" has been the main point at issue. The reality is that considerable numbers of Roman Catholics can and do attend Latin Mass regularly and in full conformity with the revised liturgical instructions that followed the Second Vatican Council.

Because the archbishop has consistently rejected the entire teaching of the Council the only Mass he recognizes as valid is that of the former rite, which is commonly known as the "Trident-

over many years ahead, not only in terms of general good will but also in the ordering of equipment and placing of contracts.

The British Council review team, whose work was summarised in your article, believes that some assistance from Government is urgently needed, not just for the sake of the universities themselves but for the ongoing good of developing the most important markets in engineering, science and high technology over the next decade.

Other countries have clearly recognised the very great importance of such developments, whereas we seem to be sacrificing the considerable long-term gains that could be achieved for the sake of outbacks in the small amounts of expenditure in the immediate future.

There is no doubt this country suffered greatly severely with considerable loss of good will and potential markets when the overseas student fees were suddenly increased, and our plea is that we should not now suffer again from the unfair competition from the highly-subsidised recruiting activities of other developed countries.

Yours truly,

DAVID J. E. INGRAM, The Registry, University of Kent, Canterbury, Kent, October 15.

Overseas students

From the Vice-Chancellor of the University of Kent

Sir, A large number of your readers must have noticed the striking contrast between the messages conveyed by your two centre pages on October 14. On the left-hand side was an article describing the attempts by British universities and polytechnics to recruit more overseas students and concluding with the fact that the Government did not propose to give help to this operation, but to leave the universities to fend for themselves.

On the right-hand side was a letter from the Professor of Engineering at Bath University pointing out that the Chinese students in engineering and science were being rapidly attracted away from their interest in this country to the United States, Germany and Japan, who are very actively wooing them with considerable government financial support.

What our own Government and, indeed, one suspects, the public at large do not seem to appreciate is that the education and training of overseas students is not only of considerable benefit to our own universities and polytechnics, but also to the country as a whole. The links formed in industry and commerce during their time in this country will produce a very positive feedback

Met Office record on storm forecast

From Mr Hugh Cumming

Sir, The events of last Thursday night have generated a great deal of criticism of the Met Office and the current inquiries, both internal and external, may well prove that at least some of it is justified.

What is most unjust, however, is the emphasis that you and other editors have placed on statements purporting to have come from other national meteorological services to the effect that they, with the aid of the European Centre for Medium Range Weather Forecasting, had predicted the storm days before. We all did!

As early as the previous Sunday the Met Office's charts, which are made available to the other nations, forecast an intense storm in the vicinity of south-east England on Thursday night. This will be borne out by any viewer of the *Farmers' Forecast* on BBC television on Sunday, p.m. To suggest, as is being done, that this is the same as forecasting the precise track and intensity of such narrow and transitory band of winds is nonsense.

More important: in the midst of the criticism flying around are, once more, suggestions that private, commercial weather services would have done better (report, October 17). Despite the events of Thursday night, the United Kingdom's Meteorological Office is the finest and most successful in the world. This fact is almost certainly the result of the concentration of the nation's resources into one centre of excellence rather than many centres of mediocrity, as happens in not a few other parts of the world.

When the present cries of havoc have died down, it is important that politicians, scientists and those who care about Britain resist the siren voices seeking to dis-

mantle one of our most proud and successful British institutions. None of the evidence from those countries that have gone down this road suggests that it is a wise course.

I am, Sir, your obedient servant,

HUGH CUMMING (Council member, Meteorological Office Branch, Institution of Professional Civil Servants), 17 Gordon Terrace, Dyce, Aberdeen, October 19.

From Mr John Corin

Sir, Last Thursday, in quite ordinary weather, French fishing vessels began arriving in Newlyn, an international harbour of refuge, some 12 hours before the Great Storm. They normally do not come in until at least a gale has started blowing. They had received a very serious warning from their own meteorological service.

People in Newlyn have more faith in French weather forecasts than in our own.

Yours faithfully,

J. CORIN, Gwel Efan, Church Street, Newlyn, Penzance, Cornwall, October 19.

From Mr Patrick Allen

Sir, The failure of our professional weathermen to give forewarning of our worst-ever hurricane, far from being an unfortunate aberration was all part of a mournful pattern. For too long we have been lulled by the forecasters' supreme self-confidence (almost always the use of "will" rather than a modest "could" or "might" or "may") into believing that what we're told will happen will happen.

Notoriously erratic as the British climate is, it is not so erratic that most of us can't make a fair stab at predicting what tomorrow will bring by just tapping the glass and peering up into the sky.

Yours faithfully,

PATRICK ALLEN, 42 Hawthorn Way, Cambridge.

From Sir Brandon Rhys Williams, MP for Kensington (Conservative)

Sir, The damage caused by falling trees and branches last Friday should make us all aware of the danger of thoughtless tree planting. Trees are fine but, even without the gale-force winds, are a constant potential risk to property if not properly sited. Before a tree is planted or allowed to survive in an urban area the needs of the environment should be considered.

If the following points were borne in mind by those responsible for planting, in particular the local authorities, perhaps in time we would have a sensible and lasting tree programme which would avoid some of the costly errors of the past:

1. Could it damage property either below or above ground in the future?
2. Does it confuse or obstruct the sight line from a pavement or a road? Is it a road hazard?
3. Will it, when it grows, obstruct a road sign?
4. Is it the right species of tree for that location?
5. Is it good root stock?
6. If planted at that location, can it survive?

Yours faithfully,

D. R. HUNTINGFORD, 4 Woodstock Road, Walthamstow, E17, October 19.

From Mrs Anthony Gaitskell

Sir, I do hope young British furniture-makers are earmarking historic tree trunks for their future use. How much more splendid to craft a chest of drawers or a desk from a once handsome tree in a royal park than from imported planks with no pedigree.

Yours faithfully,

PATRICIA GAITSKELL, 55 Alceon Road, Dulwich, SE21.

From Mr Ben Weinreb

Sir, A bookseller is always turning up curious and unexpected pieces, and sometimes they are apposite to the moment. Amongst a miscellaneous parcel the other day was a *Meteorological Chronology to AD 1450*, published in 1937 by HMSO on behalf of the Air Ministry. The compiler had studiously read the early chronicles, many in the original Anglo-Saxon, Irish, Welsh and Norse, and extracted every reference to the weather. They make a fascinating record. For instance, in 766 BC "Rinvalius... succeeded his father, in whose time it rained blood 3 daies..."

Not all the entries are quite so fearsome. In AD 24 "Carleon was destroyed by lightning," according to the chronicler, and at about the same time Eochie Oireaw, King of Ireland, was "slaine and burnt by lightning fire from heaven." In the year 80 Sync winter come with woderis cuill and cold, And frost and snaw was heddeous to behald and in 134 the Thames was frozen over for two months; five years later it dried up for two days.

On the whole it is a chronicle of disasters, of great floods and droughts, of forest fires and of hailstones as big as eggs. However, as time progresses, there are occasional shafts of light: 1108 was "a sappy year, with good weather, and with much corn and produce" and in 1215 there was a gentle tranquility and fairness of winter atmosphere, such fine weather as had never been seen or heard of before.

But in 1220 upon Seynt Lukys Day, ther blew a grete Wynde out off the North Est, that ouer threw many an house and also Turrens and Churches...

All this goes to show that the Englishman's preoccupation with the weather is of long duration and understandably so.

Yours faithfully,

BEN WEINREB, 16 Millfield Lane, Highgate, N6.

From Mr D. R. Huntingford

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Sir, A bookseller is always turning up curious and unexpected pieces, and sometimes they are apposite to the moment. Amongst a miscellaneous parcel the other day was a *Meteorological Chronology to AD 1450*, published in 1937 by HMSO on behalf of the Air Ministry. The compiler had studiously read the early chronicles, many in the original Anglo-Saxon, Irish, Welsh and Norse, and extracted every reference to the weather. They make a fascinating record. For instance, in 766 BC "Rinvalius... succeeded his father, in whose time it rained blood 3 daies..."

Not all the entries are quite so fearsome. In AD 24 "Carleon was destroyed by lightning," according to the chronicler, and at about the same time Eochie Oireaw, King of Ireland, was "slaine and burnt by lightning fire from heaven." In the year 80 Sync winter come with woderis cuill and cold, And frost and snaw was heddeous to behald and in 134 the Thames was frozen over for two months; five years later it dried up for two days.

On the whole it is a chronicle of disasters, of great floods and droughts, of forest fires and of hailstones as big as eggs. However, as time progresses, there are occasional shafts of light: 1108 was "a sappy year, with good weather, and with much corn and produce" and in 1215 there was a gentle tranquility and fairness of winter atmosphere, such fine weather as had never been seen or heard of before.

But in 1220 upon Seynt Lukys Day, ther blew a grete Wynde out off the North Est, that ouer threw many an house and also Turrens and Churches...

All this goes to show that the Englishman's preoccupation with the weather is of long duration and understandably so.

Yours faithfully,

BEN WEINREB, 16 Millfield Lane, Highgate, N6.

ON THIS DAY

OCTOBER 23 1929

Thomas Edison (1847-1931) took out more than 1,000 patents in a long inventive career

ELECTRIC LIGHT'S JUBILEE

MR. EDISON IN HIS OLD PART

U.S. CELEBRATION (From Our Own Correspondent)

NEW YORK, OCT. 22

For a few moments last night Mr. Thomas A. Edison recaptured the greatest triumph of his life when, standing in his old laboratory with Dr. Jehl, his assistant of 50 years ago, at his side, he recreated the first incandescent lamp.

The laboratory, it is true, was no longer at Menlo Park, New Jersey; still, it was the same laboratory, transported 1,000 miles across country and set up again in Greenfield, Michigan, by Mr. Henry Ford; and all round Mr. Edison were the same tools the same apparatus, and even the same primitive electric generator which he had used on the memorable night of October 21, 1879.

While an illustrious company, including President Hoover and Mrs. Curie, watched him at his work-table, and millions, with the aid of vivid descriptions over the wireless, followed every movement he made, he rehearsed, step by step, the last stages of his experiment of half a century ago. He came to the table where Dr. Jehl stood with the bulb, and the vacuum pump which he had not handled since he was a youth of 20. Again, as 50 years ago, Dr. Jehl told him that the bulb had a good vacuum and again Mr. Edison tested it, once more nodded his approval, and then, with a small company following him, crossed the yard to see that the generator and the archaic wood furnace which gave it power were in order. Returning to the laboratory, he took up two wires connected with a series of wet batteries and confidently applied them to the bulb. The filament glowed and light shone forth.

As the President and the other distinguished guests congratulated the 82-year-old inventor, the recreated Liberty Bell in the recreated Independence Hall in Greenfield rang out jubilantly, and the houses and roads near, until then dimly lit with oil lamps, blazed with electric light. Back in New Jersey at Menlo Park, on the top of a column 100ft. high shone at the same moment a huge lamp made up of 800 other lamps, and at the base of the column there was lit the memorial lamp which is to burn perpetually. Meanwhile New York, Chicago, Detroit, and all the other big cities of the country had made themselves festive with light in honour of the jubilee.

At the banquet which followed the demonstration... President Hoover eulogized Mr. Edison, and the voices of President von Hindenburg and Professor Einstein were heard from Berlin speaking congratulatory messages. Mr. Edison, who has been deaf since boyhood, was perhaps the only one present who could not hear the praise which was showered upon him, but he... made a speech himself in a voice broken with emotion...

THE ARTS

Abortive attempts

David Alton's Private Member's Bill to change the abortion law is vying with share prices and the weather for media attention this week, an indication perhaps of how strong feelings remain on the subject. Margaret Jay's report for *This Week* (ITV) selected from a wide spectrum of argument the band of most concern to doctors. This also involved the most sympathetic

TELEVISION

cases of late abortion — the terminations offered to those mothers who discover that their children will be born deformed.

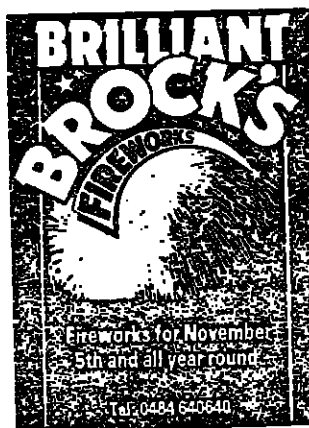
As the law stands, a pregnancy can be terminated up to the 28th week. Mr Alton's Bill wants to reduce the limit to 18 weeks. Ardent viewers of medical programmes will remember a series in the spring about the advances in perinatal care which now make it possible for babies born as early as 23 weeks to survive. Dr Stuart Campbell of King's College Hospital demonstrated that many of the abnormalities which produce severely disabled children, such as muscular dystrophy or spina bifida, can only be diagnosed with certainty later than 18 weeks. His fear was that an earlier abortion limit would lead to the speculative abortion of healthy babies.

At present these tragic conditions are declining dramatically as diagnosis in the womb becomes more common. Against the assertion that disabled children should be aborted rather than raised to live unhappy lives, David Alton talked to a group of disabled adults in his own constituency and invited them to consider whether they should have been born. All enthusiastically spoke in favour of their lives.

In contrast, Professor Marcus Pembrey from Great Ormond Street showed sad pictures of eye-less or skull-less infants born with congenital disorders and doomed to short and wretched lives.

This was an admirable rehearsal of these issues, much enhanced by David Alton's concise eloquence and sincerity. In a mere half hour, however, the larger issues were also doomed to an early death.

Celia Brayfield



"A hugely enjoyable romp... the performances are delightful."

— BARRY NORMAN BBC TV FILM 87

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Lulu whole in Scotland



Mixed feelings: Beverly Morgan (Lulu) and Hugh Hetherington (the Prince)

OPERA

Lulu
Theatre Royal,
Glasgow

Lulu is not, after all, an Edwardian costume drama. In his new production for Scottish Opera, John Cox goes as near as possible to a naturalistic approach, no doubt recognizing that anything wilder risks reducing the real challenge of the work, which is to our understanding and not to our capacity for shock and amazement.

John Bury provides a sequence of simple interiors, smart or shabby as the scene demands, and there are costumes to match by Elizabeth Bury (the use of her drawings, though, is a mistake in the film scene, which surely needs to go as hectically as the music).

Within this plausible ambience, however, the characters are not at home. They are of course creatures from a morality play as much as people, and when their dialogue becomes stylized — in artificial repetitions, mechanical ensembles and incoherent remarks — their guise of realism becomes an embarrassment: there are too many ridiculous moments, particularly in the first act. And bathing the stage with red light at crucial junctures of death or abuse is not a substitute for the fluid movement between naturalism and nightmare that the music seems to demand.

Possibly one expected too much, simply because this is the first production of the complete opera to be given in Britain outside London, and the first in this country to use Arthur Jacobs's effective translation, nearly all of which is clearly and usefully audible.

John Mauceri, conducting, clearly has great affection and respect for the score, but here too there is unease, since the orchestral playing is rarely up to Berg's demands.

The mixed success reaches into the cast as well. Beverly Morgan as Lulu gained greatly in strength once she had lost the college-girl peevishness and vocal uncontrol that detracted from her performance in the first act.

Singing or speaking, she can deliver lines with a bleak, invincible, ego-less coldness that is very much to the point: Lulu will die, as she knows, when she begins to feel warmth. Miss Morgan also has the steely high register needed for the part, and the sear-like presence.

Eduardo Alvarez has a brave attempt at Alva, and makes up in boyish ardour what he misses through the Latin quality of his lyricism.

Delia Wallis is a perfect Geschwitz, calm and seductive, and there are excellent performances from Fiona Kimm as the Schoolboy (though it beats me why such a female voice keeps getting cast in breeches roles), Justin Lavender as the Painter-Negro, Roderick Kennedy as the Acrobat and Roger Bryson as Schigolch. The Dr Schön is disappointing.

Paul Griffiths

Lighter Ligeti

CONCERTS

Philharmonia/
Salonen
Royal Festival Hall

Each of Esa-Pekka Salonen's three concerts with the Philharmonia this autumn begins with a sniff of Ligeti: a refreshing twist to programmes that otherwise stick to well-worn overture-concerto-symphony formats.

Indeed, hearing Ligeti's music in eight-minute doses is not a bad way to experience it. And in Salonen's sympathetic hands the unexpectedness of the evolving textures was beautifully exposed. The

Philharmonia players executed the overtone, glissando and cluster effects with care and finesse.

Later, too, there was some splendid playing — of a less ethereal nature — in Sibelius's Second Symphony. Salonen was perhaps too overt too early in the finale, but his stark handling of the slow movement's brass outbursts and his swerving between extreme velocity and lingering schmalz in the scherzo were undeniably exciting.

Earlier, Mitsuko Uchida gave a superbly cogent if emotionally lean account of Schoenberg's Piano Concerto, making this under-performed work sound far more elegant than usual.

Richard Morrison

Singcircle/Rose
Queen Elizabeth
Hall

It was like a seance for the spirit of the Sixties. Singcircle's six singers sat round a table with a glowing lamp at its centre. In an auditorium dark save for the sound projectionist's blue bulb, they started the humming exhalation of breath and pitch which grows into Stimmung: the "tuning", the "disposition" which 20 years ago marked the climax of Stockhausen's most sensuous period of writing.

At the start of its tenth anniversary tour, it was a

celebration of the robust 1977 Singcircle version of the work, still going strong. Some members of the audience still walked out, while others dozed off to be woken only by a loud cry of "Penis!" from the tenor, but Singcircle brought a sense of cosy human enjoyment to those once scandalizing "magic names" and erotic verbalizations in 80 minutes' worth of harmonic overtones.

It was a performance which lacked that extreme refinement of intonation which sends an involuntary shiver from ear to spine. But it had its own sense of occasion; and it is good to be reminded that we are still sentient beings.

Hilary Finch

Demolition derby

THEATRE

One for the Road
Lyric Theatre

Like *Educating Rita* and *Blood Brothers*, this early Willy Russell piece is fuelled with a high-grade mixture of loyalty and contempt for the Lancashire working class. A dirty trick has been played on them; but they have done precious little to resist it.

One for the Road puts this argument across through the time-honoured northern fable of the little man who has walked into the trap of "responsibilities" and decides to make a break. Dennis, the latest in a long line of turning worms, is a central heating salesman, lately promoted and installed in a new estate which is undergoing the convulsions of galloping gentrification. With his 40th birthday looming, his thoughts go back to the unfulfilled dreams of youth, and he uses the occasion of his birthday dinner party to create mayhem before turning his back forever on the hated dormer bungalow.

The trouble with this is that never for a moment is there any real possibility that he will put on his rucksack and leave. Fortunately, there is a good deal more to the piece. Dennis's mum and dad are roaming the labyrinth of Mahler Crescent and Beethoven Underpass in the forlorn hope of keeping their dinner engagement. There is also the mystery of a wave of creative vandalism which has struck



Joking apart: Michael Angelis and Russ Abbot at the Lyric the estate, decapitating armies of garden gnomes.

Starting point for a muscular, thrifty and farcical development which throws up climax after climax with the power of the sledgehammer which demolishes Dennis's dinner table. The joke confines the other characters to serving as victims for the hero's irony; a task immaculately performed by the tearful Jane Dale (wife)

and the sharp-eyed Elizabeth Bennett (queen-bee guest).

William Gaunt's production excels in demolition and chagrin. Russ Abbot carries no conviction as a central heating executive but plenty as a farcical star who converts every domestic object he touches into a comic property; and he retains full control even when trussed up with a sleeping bag over his head.

Irving Wardle

Music far from Africa

Crowned With
Fame
Battersea Arts Centre

Samuel Coleridge Taylor was the black composer who wrote *Hiawatha*, and I daresay that completes most people's knowledge of him — which of course is criticism meaning I knew nothing more about this appealing figure before seeing Michael Ellis's absorbing and neatly crafted musical play.

Fittingly, for a man so little known since his early death in 1912, the play opens with the cast of seven slowly taking the covers off furniture in an Edwardian music room. Five of them lift instruments from the tables and, as the lights

switch to full, launch into a quintet for clarinet and strings. A trim, cherubic figure in a dapper suit steps forward. "I'm a composer", he tells us. "There are times when I think I can set a butcher's bill to music."

With this declaration from the young Samuel (James Goode), lightly spoken yet serious, both play and performer secure our attention for a deftly constructed first act, and a second that is somewhat less so but not enough to do harm.

Ellis intercuts the hero's star progress through the Royal College of Music with dream visits from his vanished African father and with briefly recalled moments of humiliation. A well-judged choice of

scenes reveal psychology as the increasingly famous composer feels the tug of expectation from black audiences across the Atlantic.

Goode gives us a plucky, assured, totally endearing portrayal, and his facial expressions are transparent to the scene of an indomitable spirit within. At one point he remarks: "I feel a sudden surge of tears but I will hold them back because, after all, I am English". Alas, few Englishmen of the time agreed.

Paced with intelligent skill by Sue Pomeroy for Good Company, the production sets off on a national tour and returns to Battersea in late November. Do not miss it.

Jeremy Kingston

JAZZ

Charlie Rouse
Bull's Head
Ronnie Scott's

Barron. In the highlight of the first set, an emphatic reading of "Straight No Chaser", Tracey hammered home a series of oblique intervals, tumbling up and down the keys like a drunk on a staircase yet never losing his balance.

If their performance at the Bull's Head is any guide, the album should be a fascinating encounter. Tracey's brusque, unsentimental approach, full of Monk-like witticisms, makes him an even more sympathetic partner than Sphere's pianist, Kenny

opportunity to savour the crisp rhythm work of the bassist Roy Babbington and Tracey's son, Clark, on drums.

Of the Cuban band Irakere, back in residence at Ronnie Scott's, there is nothing new to report, except that they are still in dazzling form, mixing showmanship with seemingly effortless ensemble work. To prove that they are just as comfortable outside the Latin idiom, they mounted a spectacular assault on Dave Brubeck's "The Duke", adding bursts of percussion and abrupt changes of tempo. If the horn passages were, for once, slightly hackneyed, the group's leader, Chucho Valdés, provided a barn-storming piano solo which juxtaposed fragments of "Rhapsody in Blue" and "Satin Doll". The party continues this week.

Clive Davis

Playing to the people?

Irving Wardle reports on why Britain's local theatres are losing the fight to serve the community and keep the politicians happy

Theatres threatened with closure have a way of dodging the axe in the moment of time; but, at the moment, the Lyric, Hammersmith will be departing this life early next year. Even though the Arts Council has shared its funding for the past two years, Hammersmith Borough Council says it is unable to guarantee any grant whatever for 1988.

The Lyric is a beautiful house. Together with Greenwich and Watford it forms part of the invaluable "outer ring" of repertory theatres which serve their immediate localities as well as the general public. Under Peter James it has also developed into an independent power house for new writing and innovative direction, with a pioneering attachment to the international stage. But the Lyric is more than just one theatre that happens to be in difficulties. It offers a conspicuous example of a dilemma that has afflicted other playhouses in London and the regions, and which is likely to get worse.

The British theatrical renaissance began with ideas and talent, and was consolidated with public money, given in the belief that theatre is one of the good things of life. That belief is now on the wane, both centrally and locally.

Some local authorities spend more than central government on the arts. Their responsibility is to the immediate community. But, with multiplying ethnic diversity, the question is which community? Why subsidize a boarded concrete playhouse of the 1960s to put on *The Importance of Being Earnest* for a public of Asian shopkeepers and Chinese restaurateurs? If, on the other hand, the money were diverted into supplying a platform for West Indian or Pakistani groups, then arts funding could also claim to be socially useful.

Most of what I know about community theatre is gleaned from press releases. Recent shows I did not see include *Bunkers*, a "futuristic play on war and destruction" put on for the multi-cultural popula-

tion of Lambeth; and *Pandemonium*, a dramatized oratorio about the Senghenydd mining disaster staged in Morrison's Tabernacle Chapel and featuring Welsh and English-language companies, three choirs, and a commissioned score.

Either of those productions could have meant far more to its own audience than anything laid on by a local rep or parachuted in by the RSC. They might not have meant much anywhere else — as the National Theatre has just demonstrated with its ill-advised importation of Nick Darker's community drama on mine profiteering in Victorian Cornwall. By contrast the same theatre scored a big success with David Edgar's *Entertaining Strangers*. It would, of course, be nice to have both. But that will depend on the politicians who variously judge theatre according to its profitability, or its use as an adjunct to social services.

Caught in this double bind, theatres have been struggling to achieve a workable compromise; so far with no great success. Leon Rubin, who launched a vigorously independent regime at the Bristol Theatre Royal last year, was then caught in the funding deadlock between the Arts Council and the local Labour party. He fought back with programmes of multi-ethnic professional productions; then saw the case as hopeless, and resigned. The Almeida narrowly escaped the same fate; the Shaw has mainly gone over to community work; Stratford East tries to reconcile general and sectional appeal with joyously dutiful shows.

So far, it is minor or regional theatres that have been most affected. The threat to the Lyric is the first gash in the central cultural artery. The Lyric has done its share of children's shows, youth workshops, and craft fairs, but it is still being penalized as elitist. If the Lyric does not survive, its example will at least provoke widespread outrage which may help to save others from bleeding to death.

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Heaven

Little white lies



Political framework: June Mendoza at the frame-makers with the seven-foot canvas of Question Time that took 18 months of ferocious work to complete.

Painting the House

painting of the House of Commons to be completed since 1960. That one, commissioned by the Conservative Party to be presented to the Prime Minister, Harold Macmillan, included the faces of only 130 MPs.

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Epitaph for an ornament

Questions of appearance were important to the gentlewoman, who devoutly followed the fashion plates and the London Season. And as for the gentlewoman and sex — well, she wasn't expected to simply lie there and think of England. "Within marriage she could be quite a sexual being," Flora believes. "After all, you can't stop libido, can you? There were wonderful, passionate, correspondences between couples."

The extinct art of gentlemanly non-education is closely paralleled today, Flora somewhat reluctantly concedes, by those who go to finishing school and take cordon bleu cookery courses.

Challenged as to whether the Princess of Wales wouldn't ideally fit the bill, she pauses and answers thoughtfully. "An ornament to her husband? To the country? Yes, I suppose so. The appearance of leisure? Doing good works? Humm... but then as Princess of Wales she is so much more than a gentlemanwoman that the definition is superseded."

Victoria McKee
© Times Newspapers Ltd 1987
The English Gentlewoman will be published by Barrie & Jenkins on October 29, £14.95

Victoria McKee

The English Gentlewoman will be published by Barrie & Jenkins on October 29, £14.95



**BARBARA
AMIEL**

It's really the pacifism of the bank robber, isn't it? To prevent bloodshed, hand over your money

But it isn't the many factual errors that bother me so much as the unbelievably cheap sophistries used to explain away nasty historical actions. The Molotov-von Ribbentrop pact was all based on the terrible fear the Soviets have of being invaded. The reason they took half of Poland, Ustinov says, and pushed into Finland was based on this defensive posture, which the Soviets see as the "military virtue of space". Hitler called the same thing *Lebensraum* and perhaps in Ustinov's next

Ustinov closes his programme with the thoughts that while the "Russians are subject to the imperatives of a great social experiment, in the meantime they are a people like any other". While the BBC has every right, of course, to show this programme, I think that is about the point

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TELEVISION AND RADIO

Compiled by Peter Dear
and Peter Davalle

BBC1

- 6.00 **Celestial AM**.
6.35 **Weather**.
7.00 **Breakfast** Time with Frank Bough, Sally Magnusson and Jeremy Paxman. Includes national and international news at 7.00, 7.30, 8.00 and 8.30; regional news and travel reports at 7.15, 7.45 and 8.15; and weather at 7.55, 7.55 and 8.25.
- 8.40 **Open Air**. Eamonn Holmes receives viewers' comments on yesterday's television output. To participate ring 061-814 0424. 8.55 Regional news and weather.
- 9.00 **News** and weather followed by **Neighbours** (r). 9.30 **Kilroy**. Robert Kilroy-Glik chairs a studio discussion on a topical subject.
- 10.00 **News** and weather followed by **Going for Gold** (r). 10.25 **Children's BBC**. Andy Crane with programme news and birthday greetings followed by **Five to Eleven**. Paul Alexander with a thought for the day. 11.00 **News** and weather. 11.05 **Open Air** with Bob Wellings and Susan Ralston.
- 12.00 **News** and weather. 12.05 **Daytime Live** with Pamela Armstrong, Alan Titchmarsh, Ross Davidson and Judi Spicers, and a live report from **Motorbike 87** at Earl's Court. 12.55 Regional news and weather.
- 1.00 **One O'Clock News** with Michael Barker. Weather. 1.30 **Neighbours**. At last things are looking up for Shane - an attractive girl climbs into his motorbike.
- 1.50 **Film: The Sandpiper** (1985) starring Richard Burton, Elizabeth Taylor and Eva Marie Saint. An Episcopal minister who runs a private school falls for a mother whose illegitimate son is one of his pupils. Directed by Vincente Minnelli. 2.40 **Ask Margo**. Margo MacDonald with

- advice on welfare rights, employment, housing and legal issues.
- 3.50 **Corners**. Young people's questions answered. 4.05 **SuperTed** (r). 4.15 **What's All This?** including guests, then **Barcho**.
- 4.55 **Newsround** 5.05 **Grange Hill**. Episode eight (r). (Ceebe).
- 5.35 **Mastermind** 57. Quiz game for teams, presented by Angela Rippon.
- 6.00 **Six O'Clock News** with Sue Lawley and Philip Hayton. Weather.
- 6.35 **London Plus**.
- 7.00 **Wogan**. On the guest list are Vanessa Redgrave, Marlene Danner and Barry White.
- 7.40 **Blankety Blank**. Les Dawson's guests are Bernie Clifton, Doc Cox, Gloria Geynor, Maggie Moore, Gillian Telford and Dave Lee Travis. (Ceebe).
- 8.15 **Twenty-One Years of the Two Ronnies**. Comedy sketches chosen by Messrs Barker and Corbett from their fruitful comic association. (Ceebe).
- 9.00 **Nine O'Clock News** with Martin Lewis and Philip Harvey. Regional news and weather.
- 9.30 **Pulse**. Drama series about a television detective whose screen role echoes his own. Starring David Andrews. (Ceebe).
- 10.20 **Omibus**. The Arts and the Arts. A film illustrating the changing face of literary Moscow.
- 11.20 **World Gymnastics**. Championships from Rotterdam. The women's team final. The commentators are Ron Pickering and Alan Weeks.
- 11.50 **Film: Moonrunners** (1974) starring James Mitchum and Kiel Martin. The film that gave birth to the *Dukes of Hazzard* television series. Rival gangs of country outlaws do battle among themselves and with the police. Directed by Guy Waldron. 1.30 **Weather**.

BBC2

- 9.00 **Celestial 9.30 Daytime** on Two: the 1987 general election in Scotland. Part 2 of a ghost story. 10.15 **Editing a Newspaper** 10.30 **The Changing Coastlines** of Dorset and Hampshire. 11.00 **Storytime** 11.15 **Worldwide** 11.35 **Nuts and berries** 12.00 **Arturo Miller** talks about his *View From the Bridge* 12.35 **A Week in the life of a group of girl friends** 1.00 **The beginning of the school year** in Australia. 1.30 **For the very young** 1.35 **Watusi** 2.00 **News** and weather. 2.02 **For four- and five-year olds**.
- 2.15 **Sport on Friday** presented by David Lyle. International soccer: quarter-final action in the Rothmans Grand Prix: Racing from Newbury: the 2.30, 3.00, 3.30 and 4.00 races; and **World Gymnastics** highlights of last night's men's team final in Rotterdam. Includes news and weather at 2.50 and 3.45.
- 6.00 **Film: Tarzan and the Amazons** (1945, b/w) starring Johnny Weissmuller. A group of scientists arrive in the jungle intent on finding the secret retreat of

- the Amazon maidens. Directed by Kurt Neumann.
- 7.15 **Miniature Worlds**. The winter world of the BBC's weather studio. (Ceebe).
- 7.25 **The Education Programme**. Can head teachers be accountants and teach at the same time? Presented by Linda Alexander and Martin Young.
- 8.00 **The Friday Report**. Out of the Blue. Sarah Spiller reports on the record number of light aircraft crashes in this country this year.
- 8.30 **Out of Court** includes a report on why, every day, villages wage free from the courts under the new Crown Prosecution Service.
- 9.00 **Foreign Bodies**. The comedy love story.
- 9.30 **Peter Usinov's Russia**. In this last programme of the series Peter Usinov records his own view of life in Russia today.
- 10.20 **International Soccer**. Quarter-final action in the Rothmans Grand Prix, introduced by David Vine.
- 10.50 **Newsnight** 11.35 **Weather**. 11.40 **International Soccer**. Another visit to the Haggard, Reading. Ends at 1.00.

ITV/LONDON

- 6.00 **TV-am** introduced by Kay Burley and Richard Keys. News at 6.00 and 6.30; weather at 6.28 and 6.58; financial news at 6.58; sport at 6.40; and variety at 6.52.
- 7.00 **Good Morning Britain** presented by Anne Diamond and Mike Morris. Includes news at 7.00, 7.30, 8.00, 8.30 and 9.00; cartoon at 7.55; sport at 7.45; and music at 7.55. Plus, Jimmy Gaves's television highlights. After Nine includes a recipe from Patrick Anthony and horoscopes from Russell Grant.
- 9.25 **Thames news headlines**. 9.30 **Runway**. Travel quiz presented by Chris Sore. 10.00 **Santa Barbara**. American soap. 10.25 **News headlines** 10.30 **The Time**. The *Warner* Mike Scott chairs a topical discussion.
- 11.10 **Rainbow**. Learning about packaging with the help of puppets (r). 11.25 **Thames news headlines** 11.30 **Wadeboat**. The wildlife in the waters of Jersey's St Ouen Bay. Presented by Penny Sanderson. 12.00 **Jimmy's**. Another visit to St James's University Hospital, Leeds.
- 12.30 **News** with Julie Somerville. 12.50 **Thames news**. 1.00 **Film: The Sea (1975)** starring Rex Harrison and Constance Cummings. Noel Coward's comedy about a thriller writer whose late wife turns up to haunt his second. With Margaret Rutherford and Kay Hammond. Directed by David Lean.
- 3.00 **The High Road**. Fiona is questioned by the police about Sheddin 3.25 **Thames news headlines** 3.30 **Sons and Daughters**. Australian family drama series.
- 4.00 **Cockatoo Bay**. Seaside adventures of the Cockatoo twins (r). 4.10 **The Adventures of Tintin** 4.30 **Scooby Doo** 4.45 **Splash** includes an item on motocross

CHANNEL 4

- 9.30 **Schools**. 12.00 **Business Daily**. Business and financial news service. 12.30 **Start Here**. The basic principles of physics (r). 1.00 **On Course**. Music programme for trainers. 2.00 **Their Lordships' House** (r).
- 2.15 **Heritage**. Civilisation and the Jews. Programme one of a 12-part history of the Jewish civilisation presented by Abba Eban (r).
- 3.15 **Second Glimpse**. A filmic impression of a lighthouse (r).
- 3.30 **Time to Remember** (r). A history of Britain in 1929 on film. Narrated by Sir Michael Redgrave (r).
- 4.00 **News** on 4. Mavis Nicholson is joined by Josephine Hall, Howard Goodell and Bernard Macaulay. Rubens in a discussion on the merits or otherwise of the awards system in our society.
- 4.30 **Countdown**. 5.00 **Master Ed** (b/w). Vintage American comedy.
- 5.30 **Solid Rock**. 6.00 **Revid**. The week's film releases on video reviewed. 6.15 **The Choice** (b/w). 7.00 **Channel 4 News** and weather.

TELEVISION CHOICE

- He has been called many things - the cleverest man in the House of Commons; its biggest thug; the best leader Labour never had, although, in Healey at 70 (Channel 4, 8.15pm), he denies ever wanting particularly to be Prime Minister. He considers his virtues to be loyalty and an absence of the politician's usual vanity. Arrogance he admits to, although here he restricts himself to an engaging bluntness, slugging off others with a good old-fashioned rudeness that makes refreshing television. He detested Lyndon Johnson and
- In a documentary as gloriously dotty as Harry Thompson's *The Lost Tribes of Bolton* (Radio 4, 11.00am), an account of the early years of the snoopers' crusade that called itself *Mass Observation*, one learns with no surprise that the seriously intended men and women who saw themselves as the natural heirs of Mayhew and the compilers of the *Domesday Book* actually did compile data about the time it took for the average Boltonian to ur-

thought Nixon no more dishonest than many American public figures. He thought Gaitskill was "dangerously overbearing". And he says he always knew the SDF would end in tears. Healey himself is not altogether excused by his interviewer, Olivia O'Leary, who raises doubts about his overall performance. To which he answers that there's more to life than politics and that those inside politics with no outside interests are dangerous people. Perhaps, volunteers O'Leary, you weren't dangerous enough. Healey, though bested, has the grace to roar with laughter.



The younger Denis Healey: Channel 4, 8.15pm

RADIO CHOICE

● In a documentary as gloriously dotty as Harry Thompson's *The Lost Tribes of Bolton* (Radio 4, 11.00am), an account of the early years of the snoopers' crusade that called itself *Mass Observation*, one learns with no surprise that the seriously intended men and women who saw themselves as the natural heirs of Mayhew and the compilers of the *Domesday Book* actually did compile data about the time it took for the average Boltonian to ur-

sociological study of life in the Lancashire town in the 1930s. *The Lost Tribes of Bolton* paints an unforgettable picture of Mass Observation's founder, Tom Harrison who, in a mean back-to-back dwelling, without furniture, would build up his picture of Bolton as a microcosm of the world while listening to George Formby incessantly singing about Mr Wu on the wind-up gramophone.

Peter Davalle

Radio 1

- MW (medium wave). Stereo on VHF (see Radio 1).
5.30 **Adrian John** 7.00 **Mike Smith's Breakfast Show** 9.30 **Simon Bates** 12.30 **Newsbeat** 12.45 **Steve Wright** 1.30 **Newsbeat** 1.45 **Simon Bates** 2.00 **Steve Wright** 2.15 **Simon Bates** 2.30 **Steve Wright** 2.45 **Simon Bates** 3.00 **Steve Wright** 3.15 **Simon Bates** 3.30 **Steve Wright** 3.45 **Simon Bates** 4.00 **Steve Wright** 4.15 **Simon Bates** 4.30 **Steve Wright** 4.45 **Simon Bates** 5.00 **Steve Wright** 5.15 **Simon Bates** 5.30 **Steve Wright** 5.45 **Simon Bates** 6.00 **Steve Wright** 6.15 **Simon Bates** 6.30 **Steve Wright** 6.45 **Simon Bates** 7.00 **Steve Wright** 7.15 **Simon Bates** 7.30 **Steve Wright** 7.45 **Simon Bates** 8.00 **Steve Wright** 8.15 **Simon Bates** 8.30 **Steve Wright** 8.45 **Simon Bates** 9.00 **Steve Wright** 9.15 **Simon Bates** 9.30 **Steve Wright** 9.45 **Simon Bates** 10.00 **Steve Wright** 10.15 **Simon Bates** 10.30 **Steve Wright** 10.45 **Simon Bates** 11.00 **Steve Wright** 11.15 **Simon Bates** 11.30 **Steve 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Executive Editor
Kenneth Fleet

STOCK MARKET

FT 30 Share
1435.3 (-92.0)

FT-SE 100
1633.2 (-110.6)

Bargains
86240 (103680)

USM (Datastream)
186.25 (-10.41)

THE POUND

US dollar
1.6625 (-0.0030)

W German mark
2.9976 (-0.0028)

Trade-weighted
73.4 (same)

Property company up 21.4%

Hammerston Property Investment and Development Corporation reports interim pretax profits to end-June 21.4 per cent higher at £27 million. Gross rental income rose 15.3 per cent to £67.9 million.

The company has also bought a £90 million (£54.5 million) development in New York at the corner of Fifth Avenue and 38th Street. A 21-storey office block should be complete by the end of 1989. The dividend was raised to 3p from 2p to help reduce the disparity between the two halves.

Tempos, page 26

Higher profits

Manganese Bronze, the industrial holding company best known for its near dominant position as manufacturer of London's black taxis, reported a 46 per cent increase in pretax profits to £34.3 million in the year to end-July. A final dividend of 3p was declared, making 4.5p for the year.

Tempos, page 26

Lep leaps

Lep Group, one of the world's leading freight forwarding groups, is raising its interim dividend from 1p to 1.2p a share after reporting pretax profits for the six months to end-June of £4.2 million, against £3.1 million previously. Turnover rose from £351.4 million to £480.1 million.

Tempos, page 26

SUMMARY

STOCK MARKETS

New York	Dow Jones	1936.34 (-91.51)
Tokyo	Nikkei Average	2440.45 (+457.05)
Hong Kong	Hang Seng	245.9 (-9.9)
Singapore	SEACOM	1827.8 (+53.7)
Frankfurt	Frankfurt	1707.9 (-72.4)
Brussels	Brussels	4824.4 (-20.8)
Geneva	Geneva	258.0 (-10.0)
Paris	Paris CAC	531.80 (-36.1)
Zurich	Zurich S&K	531.80 (-36.1)
London	FT 30 Share	1435.3 (-92.0)
FT 100	FT 100	1633.2 (-110.6)
Gold	Gold	389.0 (+2.2)
FT 100	FT 100	1633.2 (-110.6)
FT 100	FT 100	1633.2 (-110.6)

MAIN PRICE CHANGES

BSSE	60p (+5p)
Brassey	355p (+10p)
Fuller	403p (-28p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)
Woolworth	374p (-20p)

INTEREST RATES

London Bank Base	10%
3-month interbank	10 1/4-10 1/2%
3-month Treasury bills	9 1/4-9 1/2%
3-month Treasury	9 1/4-9 1/2%
3-month Treasury	9 1/4-9 1/2%

CURRENCIES

London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)

GOLD

London	New York	389.0 (+2.2)
London	New York	389.0 (+2.2)
London	New York	389.0 (+2.2)
London	New York	389.0 (+2.2)
London	New York	389.0 (+2.2)

NORTH SEA OIL

London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)
London	New York	1.6625 (-0.0030)

STOCK MARKET

London	New York	1.6625 (-0.0030)
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Bonds stage strong rally

Investors switch funds from weak equities

By David Smith, Economics Correspondent

Tumbling equity markets and moves towards lower world-wide interest rates produced strong gains for bond markets yesterday.

Gilt ended with a rise of around a point, in spite of the announcement of £300 million of funding by the Bank of England.

In New York, long bonds opened nearly three points higher, buoyed by a "flight to quality" from the weak equity market, and the reduction in prime rates from 9.25 to 9 per cent by leading US banks.

West German money market interest rates eased, with call money down from 3.70-80 per cent to 3.60-70 per cent. Canadian banks cut prime rates, generally from 10.5 to 9.75 per cent.

The yield on the US 30-year long bond slipped to 9.15 per cent, from 9.45 per cent at the close on Wednesday.

The rise in bond prices, while welcome in the financial markets after the sharp falls of recent days, was seen as fragile, resting mainly on the continued weakness of equity markets.

Gilt market-making operations have fared better than their equity counterparts during the past week of unprecedented market disturbances. A week ago, the gilt market-makers had accumulated losses of about £50 million in

the period since Big Bang in October last year. Four of the 26 market-makers were carrying heavy losses, and two more limited losses.

Much of the gilt market's fall occurred before the equity market shake-out, and any additional losses over the past few days are thought to have been minimal.

In contrast, equity market-makers were in overall profit before the stock market fall of the past few days, and have encountered losses, although

Comment

individual market-makers have been at pains to point out that these have been relatively small.

Mr Peter Wilmot-Sirwell, joint chairman of Warburg Securities, said the losses over the past few days were a "minute fraction" of the profits made since Big Bang.

The bond markets have been worried about rising inflation. Their new-found strength could indicate that fears of inflation have been replaced by expectations of world recession.

In London, there were clear signs that the Bank of England was attempting to stem the gilt market's rise.

The Bank announced that it was taking £500 million of

existing stocks on to its books, with the stocks available for dealing from today.

Three tranches of stock - £200 million of Treasury 10 per cent 1993, £200 million of Conversion 10 per cent 1996, and £100 million of Conversion 9 per cent 2000 - were taken on by the Bank. In addition, the Bank made £250 million of stock available to the National Debt Commissioners.

"This was a short-term market management operation," said Mr Bill Allen, a director of Greenwell Montagu Gilt-Edged. "It was almost like 'smoothing' in the foreign exchange markets."

The move was not thought to have any implications for today's trade figures, although it helped cut back the gilt market's gains from nearly two points at one stage, to a point at the close.

There were also strong suggestions in the gilt market of a large-scale programme-switching operation from equities to gilts, carried out by Scrimgeour-Vickers, the market-makers.

However, this particular trade, thought to be well over £100 million, appears to have been a straight sale of equities, without a corresponding switch into gilts. Other houses are thought to have carried out such switches, however.

Blyth becomes chief executive of Boots

By Joe Joseph

Sir James Blyth, the former managing director of Plessey, who resigned three weeks ago after Plessey decided to merge its telecommunications businesses with those of GEC, its electronics rival, is to become chief executive of Boots, the chain of chemists.

Mr Robert Gunn will continue as Boots chairman.

The appointment provides fresh evidence of Mr Gunn's recent drive to revitalize his management team and boost the profitability of Britain's best-known chemists.

Sir James, aged 47, became a director of Boots yesterday, joining his fellow board members for lunch at the company's London offices in Fulham, south London. He will take over the reins of chief executive on November 2 after a family holiday in Italy.

He said he was drawn to Boots over the other suitors who approached him after he had left Plessey, because "Boots, as a company, is a fascinating mixture of commercial and retail goods, and of longer-term projects like drug development. They are a nice bunch of people and it is a big, important British company."

He refused to comment on speculation that his resignation was hastened by a boardroom rift at Plessey, but denied that his departure was triggered by Plessey's move to join forces with GEC.

Sir James said: "That deal was absolutely the right thing for Plessey, absolutely the right thing for GEC and absolutely the right thing for Britain. It makes Plessey a much smaller company, of course, but that is a different problem."

He does not intend changing the direction taken at Boots. He said: "It's not as if the company needs any dramatic change of direction. It's been doing very well for the past couple of years."

Mr Gunn said Sir James's appointment ended a lengthy search by Boots for a chief executive.

He added: "Most of our executive directors have been with the company most of their working lives. We think it is time to bring someone in from the outside to give a different view. We think he is



New man at Boots: Sir James Blyth, former MD of Plessey

the best man for the job. It means I can spend more time on overall strategic matters and deal with external relations, while Sir James gets on and really runs the business."

Sir James was born the son of a steel engineer in the steel town of Kilbirnie, south of Glasgow. He landed a job at Mobil Oil after graduating from Glasgow University with a degree in history. It was the first step on a swift climb through the business world, with stops at General Foods, Mars and Lucas.

When Sir James joined Plessey in November 1985, fresh from four years as head of defence sales at the Ministry of Defence, he could not have imagined he would spend

much of the following year directing the company's long, but eventually successful, battle against GEC's controversial £1.2 billion takeover bid.

He was given responsibility for Plessey's electronics systems division on joining the organization. But Sir John Clark, Plessey's chairman, created a new role for Sir James as managing director in February last year.

It says much for Sir James's reputation that his promotion marked the first time since the company was formed more than 60 years ago that Plessey's day-to-day affairs were placed in the hands of someone other than a member of the Clark dynasty.

Harris profit slumps to £5.5m

By Michael Tate

Sir Philip Harris yesterday unveiled half-year results as bad as feared for his troubled Harris Queensway carpets and furnishings empire.

Profits slumped from £20.45 million to £5.5 million and Sir Philip expects not more than £32 million for the full year, the worst he had anticipated when he first disclosed that the group had run into problems in August.

Group trading profits, after stripping out surpluses on property sales, dropped from £14.3 million to £3.7 million. As forecast, the board is holding the interim dividend at 1.75p a share, even though half-year earnings of 1.53p are insufficient to cover it. Sir Philip says the final dividend will be held at last year's level.

He predicts a "clear recovery" next year, interpreted as an improvement of a little more than 25 per cent.

The full extent of the horrors of the first half were unveiled just a day after news of another two boardroom casualties, with Mr Peter Davis, executive deputy chairman, and Mr Tony Behar, his colleague, following Mr Jim Cook, finance director, and Mr Peter Carr, joint chief executive, out of the boardroom door.

The £6.5 million cost, mostly stock-writedowns, of attempts to move the Queensway out-of-town furniture stores up-market is included in the profits shortfall.

Sir Philip says this is a one-off charge.

The Queensway business is at the root of the group's difficulties. The introduction of new product lines was at the expense of the traditional furniture.

Harris shares were one of a few not to take part in the bull market of the last year and they had almost halved in value before this week. Yesterday they stood at 121p.

Mr John Richards, analyst at Wood Mackenzie, said: "I see today's news as representing a new beginning rather than the end."

Man in the news, page 27

No extension for BP

By David Young, Energy Correspondent

The Treasury yesterday poured cold water on the idea of extending the offer period of the BP share sale in the hope that stock market conditions might become more favourable.

The idea was circulating among underwriters and advisers to the £7.2 billion Government share sale earlier this week. Their view was that an extension of the offer period from the usual nominal one minute to perhaps several days might be welcomed by the Government. Although the Treasury is guaranteed the cash proceeds from the sale, which has been underwritten

by institutional investors in Britain and abroad, the BP offer is likely to be shunned by private investors unless the market recovers rapidly.

However, the Treasury's response has been swift. In a terse statement it said that it wished to make clear that there was no intention to extend the offer beyond the date of October 28 as set out in the prospectus. Yesterday BP shares were in retreat again, falling 15p to 282p by mid-afternoon. This compares with the Government offer price of 330p.

Analysts believe the Government will welcome the gap between the BP share sale and the next fresh auction, probably in 1989 when the 10 water authorities in England and Wales are expected to be privatized.

Analyst Kenneth Inglis, of Phillips & Drew said, "The Government has clearly been scared by the market crisis and will use the coming time for some serious thinking about future asset sales." Another analyst said, "The Government is caught between wanting to protect its privatization revenues and wanting to spread the shares in a flotation as widely as possible."

Consumer spending up 5%

Consumer spending in Britain rose strongly in the third quarter, preliminary official figures showed. The Central Statistical Office said spending was strong in most categories of goods and services after a relatively subdued first half of the year.

There was a 2.6 per cent real increase in spending compared with the previous quarter. Spending was also 5.4 per cent higher than a year earlier. Consumer spending, in 1980 prices, rose to £42.9 billion in the third quarter, from £41.8 billion in the second quarter

and £40.7 billion in the third quarter of last year.

Officials said that while spending in the third quarter was strong, the figures probably overstated the rise. Spending on food is thought to have risen strongly.

Kleinwort in \$185m floating rate note issue

By Richard Thomson, Banking Correspondent

Kleinwort Benson Lonsdale, the merchant banking and securities group, yesterday launched a \$185 million (£112 million) floating rate note issue, boosting its capital to more than £900 million.

The issue is part of a capital raising exercise linked to a £143 million rights issue last month. The notes will mature in 10 years' time, allowing them to be classified as secondary capital by the bank.

The capital raising follows a year of disappointing results and problems in its securities operations where a huge backlog of unsettled share deals

since last year resulted in a loss of business and heavy borrowing costs.

It has emerged that Kleinwort Grieveson Securities, the securities subsidiary of KBL, only made its reported £3 million profit last year after a £5 million dividend payment from an unspecified Kleinwort subsidiary. As Kleinwort pointed out in last year's annual report, the accounts for KGS were qualified by its accountant, Spicer & Pepler, because of a breakdown in the prompt and accurate reporting of deals.

Eurotunnel to proceed with £750m share sale

By Joe Joseph

Eurotunnel says the storms on the world's stock markets will not disrupt its plan to ask investors to put up £750 million next month for equity in the rail tunnel it will start building under the English Channel later this year.

There have been fears in the City that the Eurotunnel share sale, set for November 16, could join the many other flotations which have been scratched this week to await a more propitious launch date.

A difficulty for Eurotunnel is that the £5 billion it has raised in bank loans to cover construction costs of the

project is contingent on the success of the share sale. Were Eurotunnel to delay the issue, it would be forced to find another tranche of interim financing to keep it in business.

But Mr Alastair Morton, Eurotunnel's co-chairman said: "We and our advisers have not given any consideration to delaying the float."

But despite Mr Morton's confidence, there are some in the City who feel that while Eurotunnel may represent a good investment, enthusiasm for the share offering might be dented

Conran attacks Benlox bid as 'takeover mania'

By Our City Staff

Sir Terence Conran, chairman of the Storehouse Group, yesterday described the hostile £2 billion paper bid from the tiny Benlox group as the "unacceptable side of takeover mania."

He was responding to the Benlox offer document sent to Storehouse shareholders outlining plans to float the high street group as six separate companies.

The offer, devised by Lincoln Earl, the small merchant bank which stands to collect a "success fee" of £15

million if it is successful, contains no cash alternative. Benlox says it would be hard to justify the underwriting costs and believes most Storehouse shareholders would prefer to take shares.

Mr Andrew Millar, the chairman of Benlox, claimed that Storehouse had reached an impasse. "We believe that its performance and the professional disengagement of its institutional investors and analysts alike has ensured that Storehouse must change."

And he warned shareholders: "We believe that the choice is stark. Storehouse can fall victim to the corporate auctioneer with its parts knocked down to the highest secret bidder. Alternatively you may accept our offer and support the Benlox plans for demerger."

Under the Benlox proposals there would be six new companies - Habitat, Mothercare, BHS, Richards, Conran Design Group and Benlox-Storehouse Holdings.

Sir Terence hit back: "This is a great waste of time and shareholders' money. This sort of financial engineering

should be stamped on by the Takeover Panel. This is a dubious deal of dubious value."

Benlox has not understood the logic that lies behind the creation and development of Storehouse and has failed to demonstrate that breaking us up is anything more than a speculative proposal for the short term benefit of Benlox and its supporters."

In the stock market yesterday Benlox shares fell 8p to 63p making its offer worth 346p. Storehouse shares closed at 315p, down 2p on the day.

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In the City's bargain basement

By Cliff Feltham

Around the City's watering-holes battered dealers emerging from the Great Crash are generally agreed on one thing - the shake-out has left many first-class stocks at bargain basement prices. So which shares should investors be looking towards? To find out, we approached those analysts voted in the recent Etil survey as the "stars" of their sectors.

Mr Nick Bubb, the stores guru at Citicorp Scrimgeour Vickers, had no hesitation in recommending Burton and the Searo group.

He said: "We can look to a big burst of activity at Debenhams which should start to have a major impact on Burton. The company is coming out of a difficult period and is looking very good value. Burton's discount to the sector has widened - at around 11 times earnings compared with an average of 14."

"Sears has good asset backing and is a sound defensive stock. And it is purely UK-based with no overseas exposure. The Holmes & Court stake adds more interest. You can't go far wrong buying them."

Mr David Lang, the food manufacturing expert at Henderson Crosswhite, gave a big thumbs-up for Cadbury Schweppes. "The shares have come down from 285p last week to around 212p, a fall of around 25 per cent, which is more than the market collapse and is probably because of its overseas business. But the company is going through exciting times, and the profits are set to rise sharply. It is going through a period of exceptional growth which is not reflected on a p-e of less than 10 times earnings."

"Rowntree also looks good but is not quite so dynamic. This is an indiscriminate market. The good suffer with the bad, and there are some good quality stocks which have been beaten to death alongside the rubbish. My advice is to go for companies with strong brands and good growth. But you are fishing in dangerous waters. Stocks which look cheap today can be even cheaper tomorrow."

Mr Tim Adams, one of the "star" textile analysts at Barclays de Zoete Wedd, said: "Courtaulds doesn't look

expensive. It has strong qualities in terms of management and has shown its ability to cope with difficult situations. Costa Viyella is another good international growth opportunity but you wonder if investors will fight shy because of its international exposure and what might happen in the US."

Mr Max Dolding, head of the award-winning leisure team at James Capel, said companies like Rank and Granada which had looked boring to investors suddenly appeared very good value. He also liked the look at current levels of Virgin, and Pleasura.

Mr Geoff Douglas, who heads the USM team at Hoare Govett, said: "I don't think anyone should rush into anything just yet, but there has always been a lot of demand for good quality growth stocks on the USM - many which look first-class bargains." Companies to watch for buying opportunities during the present shake-out are SAC International, High-Point Services, Great Southern Group, Thermal Scientific and Aspen Communications.

STOCK MARKET

Recovery hopes fade as indexes fall

By Michael Clark and Geoffrey Foster

Dealers in London were left shaking their heads in disbelief again yesterday as any hopes of a continuation of Wednesday's strong rally were squashed under the weight of several large selling programmes undertaken by several big securities houses.

After opening slightly firmer in sympathy with Wall Street's record overnight rise and Tokyo's further improvement, prices wilted under a wave of selling pressure. Market-makers immediately went on the defensive, widening their dealing spreads and reducing the size at which they were prepared to deal.

This served only to exacerbate the general feeling of nervousness in the market, while reports of an Iranian strike on a Kuwaiti oil terminal induced further panic.

The picture remained gloomy and was made worse by an opening, sharp fall on Wall Street yesterday despite news of a US prime rate reduction by some banks. However, some equilibrium was restored towards the close as a few bears closed their positions as the Dow Jones industrial average started to recover.

The upshot was that the FTSE 100 index closed the session 110.6 points down at 1,833.2 after being 194.7 lower at its worst, while the FT

index of 30 shares ended 92 points down at 1,435.3.

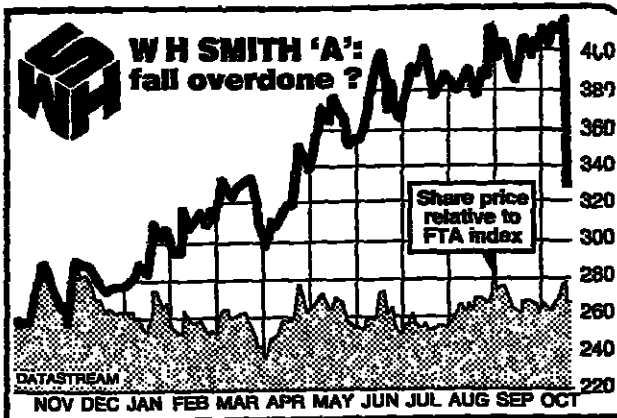
Dealers made their way home, still very uncertain and fearful that the worst might still not be over for markets both at home and abroad.

Government stocks, meanwhile, closed with gains ranging to a full point, continuing to benefit from investors switching out of equities into gilts and spurred by hopes that the US prime rate cut might be the forerunner for a general fall in rates.

Shares of Costain, the building group in which Trafalgar House holds a near-5 per cent stake, improved by 2p to 797p.

Atlantic Computers stood out in a falling market yesterday with a rise of 10p to 613p. Earlier this week, Mr John Tompkins, elected chairman after the death of the founder Mr John Falston last month, met 40 fund managers at a seminar arranged by Kleinwort Greaveson.

WH Smith, the high street books and stationery retailer, fell 11p to 328p along with the rest of the market. County



NatWest, the broker, believes that the recent fall in the shares has been overdone and that they should be bought.

Mrs Joan D'Olier, an analyst, feels that Smith is in a good position to increase its share - currently 35 per cent - of News International's business in the provinces which is being put out to tender.

It is the only wholesaler with a highly developed, computerized system and the nearest thing to a national network, handling not only newspapers but magazines and periodicals which renders it cost-effective.

The group has not been seriously affected by downturns in consumer confidence and the impact of a rise in interest rates would be mini-

mal as more than 50 per cent of borrowings are at fixed rates of interest.

Storehouse, the Habitat Mothercare, British Home Stores, Richards and Heals retailer, chaired by Sir Terence Conran, fluctuated wildly throughout the day.

The shares opened strongly, rising to 343p as reports that Mr Tony Clegg of Mountleigh had been busy topping up his stake in the company to about the 3 per cent level late on Wednesday evening sparked off revived hopes that he was about to launch another bid for the company.

However, the shares boiled over when the bid did not materialize and touched 298p before closing 10p down on balance at 306p.

The formal offer document

from Benlox with details of its all-paper offer was issued to shareholders yesterday.

Still in the stores sector, Sir Ralph Halpern's Burton Group gave up 6p to 238p as more than 8 million shares changed hands.

Last month, the shares were selling at above 300p on reports that Sir Ralph was planning a US roadshow, hoping to gain support from US fund managers ahead of a possible New York listing.

County NatWest, the broker, believes that the shares have been overvalued and should be bought when the market returns to some sort of normality.

Shares of De La Rue rebounded from a day's low of 378p to close 10p up at 420p. In late dealings, SG Warburg, the broker, was understood to be bidding for 15 million shares at 420p for an unidentified client. Dealers are expecting interesting developments today.

The big four clearing banks were an early casualty of the market, falling 25p to 290p on similar turnover along with the TSB, 10p to 124p on a turnover of 6 million shares and Royal Bank of Scotland, 17p to 328p. Only National Westminster Bank managed to resist the trend, closing with a rise of 15p to 623p.

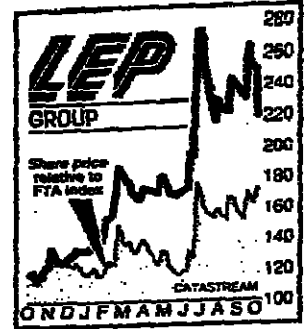
they were changing hands at a peak of 567p, boosted by takeover hopes. Lord Hanson's Hanson Trust owns 6.2 per cent of the equity with Mr Robert Maxwell, the publisher, reckoned to be the owner of a further 3 per cent of the shares.

Last week, the Governor of the Bank of England moved to dampen speculation by warning would-be predators that he would use his powers to block bids for the clearing banks by industrial and commercial companies. This, combined with the collapse in the rest of the market, has flushed out the speculators. But this is unlikely to be the end of the matter. Midland's dismal profits performance and its exposure to Third World debt means that it remains vulnerable. In its depressed state, dealers are not ruling out the possibility of further stake-building taking place in the shares. They will be keeping a close eye on events during the next few weeks.

Elsewhere in the sector, Barclays Bank fell by 17p to 583p as almost 3 million shares were traded. Lloyds Bank was another casualty, falling 25p to 290p on similar turnover along with the TSB, 10p to 124p on a turnover of 6 million shares and Royal Bank of Scotland, 17p to 328p. Only National Westminster Bank managed to resist the trend, closing with a rise of 15p to 623p.

TEMPUS

One giant step for Lep Group



Five legs are much more useful than two when you want to run, as Lep Group's interim report for the six months ended June 30 neatly demonstrates.

After a disappointing 1986 result, when the year's profit slipped from £9.1 million to £8.9 million, Lep gives a better account of itself at the half-way stage in 1987, and though there was a mixed performance from its five divisions, there is some hope that this year could show quite a recovery.

But for the higher interest charge, reflecting the increased holding to 40.6 per cent in National Guardian Corporation, America's fourth-largest alarm/guard business - the outcome could have been even stronger. Even so, after interim pretax profits of £4.2 million against £3.1 million, sights must now be set on a year's outcome in the £12 million to £13 million region.

Regrettably, there is no divisional profits breakdown allowing investors to monitor individual performers, but the Swift transport services division was stronger in Britain, and the property interests in London and California continue to provide solid support.

A year-end revaluation of the property interests at St Paul's Vista, London, which at last balance sheet date showed a £40 million surplus over book, should again give the asset value a kick, and once the 205,000 sq ft net lettable space is ready, Lep will be able to share in the boom in City rents.

In present market conditions, a cold look at the prospective price-earnings ratio of about 23.5 suggests a fully priced issue. However, the asset potential wins the day, and makes Lep a hold.

Solid showing

Hammerson's interim pretax profits, at £27 million, were somewhat better than expected, but that did not stop the shares plummeting in yesterday's stormy market.

With the ordinary shares 35p off at 560p and the "A" shares 35p down at 563p, they are still too high to tempt the company to use its authority to buy its own shares. Prices need to fall to about 500p before Hammerson would seriously consider entering the market.

Hammerson's portfolio remains roughly 60 per cent

overseas and 40 per cent in Britain. Booming conditions in the property market here tend to make purer British property companies more popular, but Hammerson's concentration on investment rather than trading should stand it in good stead given the present stock market volatility.

Year-end net assets are expected to climb to between 670p and 700p a share, compared with 601p at the end of last year, and pretax profits should reach £57 million against £49.3 million.

WALL STREET

Dow falls by 50 points in opening trading

New York (Agencies) - The Dow Jones industrial average was down 50 points at 1,977.85 in early trading yesterday after being 140 points lower at the start. The broad market remained down over a wide range, but more shares were rising.

Rising US bond prices, a spreading prime rate cut by US banks and restraints on program trading helped prices to firm.

On Wednesday, the Dow average closed 186.84 points higher at 2,027.85, shattering

Tuesday's record gain of 102.27.

Houston (Reuters) - Enron Corporation said its oil trading subsidiary, Enron Oil Corporation, incurred a loss of about \$85 million after tax, due to unauthorized trading and it had discontinued the business.

The company said: "The loss resulted directly from actions taken by individuals in clear violation of trading limits previously established by the Enron board of directors. The individuals are no longer with the company."



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WORLD STOCK MARKETS ROUNDUP: SYDNEY

Record points rise follows crash

By Richard Battley, Sydney
The Australian share market staged a solid recovery yesterday, with a record one-day points rise in the wake of Tuesday's crash.

However, brokers were unimpressed by the performance, which was marred by a nervous sell-off in the afternoon session, causing the All-Ordinaries Index, the market indicator, to close below its high for the day.

"The rise did not reflect the nervousness on the trading

floor," one broker said. "If New York falls tonight, all hell could break loose."

Wednesday's buoyant markets in New York, London and Tokyo and firmer bullion prices sparked a buying frenzy in early trading. Bargain-hunters pushed the All-Ordinaries to an unprecedented 144 points higher, to 1713 points.

But heavy selling from local institutions and nervous profit-taking in the afternoon reduced the All-Ordinaries to a relatively disappointing 60 point gain, to 1629.

Despite the late sell-off, the All-Ordinaries rise was the largest in history, exceeding the previous record rise of 46.2 points on October 20 1980, when the Liberals won the federal elections.

Yesterday's 3.8 per cent gain was the second highest in percentage terms. The highest was 6.8 per cent after the election victory.

In the past two days the market has recovered 78.9 points — 15 per cent of the 508.32 points lost in Tuesday's crash.

The December share price index futures mirrored the volatility of the physical market, soaring 185 points on the first sale and trading in a 200 point range before closing at 1500 — a bearish 129 points discount on the physical.

The gold index leapt 195.6 points or 8 per cent to 2611.5 as gold climbed US\$90 cents to \$469 (£284) an ounce in Hong Kong yesterday. The resources index rose 42.9 points, or 4.6 per cent higher, to close at 968.6 points.

Industrials were also tar-

geted. The index rose 83.9 points, or 3.4 per cent, to 2489.4 points.

The turnover of 225 million shares was valued at \$Aus565.3 million (£245 million). Rises outnumbered falls by eight to seven.

Risers in the transport sector included TNT, up 25c to \$Aus4.50 and Brambles, up 30c to \$Aus7.50.

The media index rose 239.4 points, or 3.2 per cent, to 7226.2 points. News Corporation jumped 40c to \$Aus14.

JOHANNESBURG

S African market suspended

From Michael Hornsby, Johannesburg

The Johannesburg Stock Exchange (JSE) was closed for four-and-a-half hours yesterday because its computer system was unable to handle the record volumes of share deals over the previous two days.

When the exchange finally opened at 2pm for a two-hour session until the normal 4pm close, the overall share index fell 14 points but was expected to recover because of a rise in the gold price to about \$475.

A JSE spokesman said the delay was caused by "the compounding of deals not processed because of the excessive trading carried over from Tuesday into Wednesday. It is a unique situation."

On Monday, while world share prices plummeted, the JSE's overall index rose to a record 2,804 points. But on Tuesday, when the gold price collapsed, the index shed 330 points on a record volume of 19.6 million shares worth R170 million (£30 million).

HONG KONG

Hambros called in as futures adviser

From Stephen Leather, Hong Kong

The Hong Kong government last night appointed Hambros Merchant Bank to advise it on the Crown Colony's futures market in the wake of fears that there is to be a huge default from investors unable to close their positions.

The futures exchange has been suspended since Tuesday when trading was halted on the Stock Exchange but there are some 84,700 open futures contracts, with the Hang Seng Index Futures now representing the world's second biggest futures index contract.

When trading resumes on Monday the Hang Seng index is expected to fall — with some analysts predicting a drop of at least 400 points.

Every 300 points the contract moves down costs investors HK\$15,000 (£1,153) for each contract. One local tycoon is rumoured to have bought as many as 10,000 contracts.

Earlier in the week the Association of Hong Kong Stockbrokers requested that

the Futures Exchange be allowed to settle all outstanding contracts at a price set by the exchange rather than by market forces.

But if that were to happen, investors would be unable to protect their stock market gains and would sell their shares when the market re-opens on Monday to cut their losses.

Yesterday, after a special meeting of the General Committee of the Stock Exchange, Mr Ronald Li, the exchange chairman, said trading would definitely resume on Monday.

Mr Li made it clear that all of the Crown Colony's stockbrokers would have to clear up their backlog of settlements by Saturday lunchtime.

Brokers who cannot balance their books will be ordered to buy shares in the market on Monday, he said.

Meanwhile, Hong Kong's securities watchdogs have issued a warning to investors who have been trading on the unofficial "grey" market.



Going up? Worries on the Wall Street floor

Man in the news

'I made a mistake with people'

By Michael Tate

"Of course I must take criticism," said Sir Phil Harris, founder and head of Harris Queensway, the carpets and furnishings group, yesterday, after Mr Hugh Sykes, his non-executive chairman, admitted the group had grown too fast.

Mr Sykes was speaking to stock market analysts after HQ unveiled a £15 million slump in half-year profits to £5.5 million, and forecast that profits for the year would be about £32 million against last year's £50.1 million.

The disastrous trading performance in the first half of the year has precipitated the departures of four executive directors from the boardroom in the last five months, culminating in Wednesday's resignations by Mr Peter Davis, executive deputy chairman, and Mr Tony Behar, an executive director.

But Sir Phil, chairman and chief executive throughout, stays on. That may have something to do with the fact that he still owns 15 per cent of the group, which even this morning is still worth more than £260 million, but is more likely due to his undoubted entrepreneurial and motivational skills.

He leaves no doubt, however, that he is at best one of a three-man executive team.

The others are Mr Martin Watts, who arrived in July, and Mr Anthony Shanagher, the new finance director, whose appointment was announced yesterday. Ask Sir Phil who runs the business, and he will reply "Mr Martin Watts is group managing director."

However, while Sir Phil is prepared to accept the blame for the group's problems, others absolve him, suggesting he was not being properly advised by the people to whom he had delegated.

But Sir Phil knows that does not do. The appointments were his. "I made a mistake with people," he confesses.

He is keen to stress that the new team all have the approval of Great Universal Stores, which owns 23.9 per cent of Harris. "GUS have

been very helpful. They appreciate the problems," he says. So Sir Phil sets off on the re-establishment of Harris Queensway. It was less than 10 years ago, in December 1978, that the group went public with a price tag of £23 million.

He had started the business in 1957, when he was 15. His father had died, leaving three carpet shops in south London. He was 35 before he made his first significant move however, acquiring the loss-making Queensway Discount Warehouses, referred to now by Mr Watts as discount furniture sheds, for £2 million.

Fifteen months later he was floating the business on the stock market. There followed a series of takeovers, but although the company expanded fast, Sir Phil kept a very tight control on the business. Some might say, looking back, that it was too tight. Sir Phil is reported to have boasted once that he signed every cheque that went out of the group.

But the success of Harris Queensway could not be doubted, and it was recognized more formally in 1983 when he was knighted in the Queen's Birthday Honours List.

Sir Phil is not a quitter. He aims to be running HQ still well into the 1990s.

Castleman for Blue Arrow

Blue Arrow, the employment services group, yesterday confirmed that Mr Christopher Castleman, former head of Hill Samuel, has been appointed chief executive and will take over from November 15.

While significantly strengthening Blue Arrow's management team, the appointment may also signal the group's determination to move into financial services soon.

Mr Tony Berry, who was chief executive, is remaining chairman of the group.

DTI power to spread to regions

By Colin Narborough

Mr Kenneth Clarke, Minister for Trade and Industry, wants to reduce the concentration of Department of Trade and Industry staff in London and give more power to offices in the regions.

The DTI's overall aim should be to build on the strength of successful industries and to develop enterprises, he told the Tyne and Wear Chamber of Commerce in Newcastle yesterday.

Lord Young, Secretary of State for Trade and Industry, earlier this month, unveiled plans for a radical shift of direction for his department — from acting as a prop for declining industries to an enterprise-fostering agency.

Mr Clarke said his priority was to look at DTI activities and services and consider how best they could be targeted to help create wealth. The jobs would follow. Public money would have to be used more selectively and more emphasis placed on attracting capital.

He said: "Regional policy in the past has tended to give the North-east a branch line economy by supporting weak and fringe businesses that were only induced to open, or stay open, by subsidies. These are the first to close when competition is fierce."

Right note at Austin Reed

As a new boy on the National Westminster main board, Barry Reed, whose grandfather Austin founded the family business, sits so far away from the chairman that Lord Boardman is only faintly visible, and communication between them is by letter. But the young Reed was taught the art of letter writing as well as tailoring: yesterday, with Tom's blessing, he held the first "outside" lunch in a celestial dining room of the NatWest tower. Appropriately the occasion was to celebrate another "first" — the formal opening of the first Austin Reed branch during Neil Filton's reign as managing director. If a collapsing stock market was not in the script, the choice of site was excellent — ground floor store at Number One Liverpool Street, directly opposite Broadgate, the massive office warren where Broad Street station once stood. Options too is a happy choice of name: AR's range of increasingly elegant and fashion-conscious menswear should go down well (or is it up?) with the swelling ranks of career women in the City. Austin Reed seems to have made only one mistake: stocking too few short 36 and 38 suits and jackets. The new shop is below a Japanese bank. Ah so!

Lever of help

You will learn more about politics, international finance and business in an hour with Lord Lever than with any man in London, though in his

THE TIMES CITY DIARY

Diary of a fighter

Tony Berry's exploits as wing half for the Spurs youth team are well chronicled, but not so well known is the fact that the boss of the £500 million Blue Arrow group was a junior ABA champion. Indeed his father didn't speak to him for three weeks when he finally threw in the towel. His experience however explains his enthusiasm for tomorrow's big fight at his

beloved White Hart Lane ground in north London — where Berry is now a director of Tottenham Hotspur. It also suggests that his opinion on the way the fight will go could be valuable. He tells me he's had a straight £100 bet on Frank Bruno to win. For the record, he doesn't expect Bagner to last beyond the third round.

crubrance and enthusiasm for his subject he may talk for two. He is also a man who understands the human condition, having seen most of it in a life's journey from Cheetham Hill, Manchester, to Eaton Square, SW1, via both Houses of Parliament. His recent, relatively brief, chairmanship of Stormgard,

where Jennifer d'Abo made waves but not much else, was not Harold Lever's finest hour. But he did ensure that one undeserving casualty of that particular windstorm did not end on the rocks with his head below water but was able to pull away amicably with a business and his reputation intact. Yuki, the Japanese designer known gratefully to thousands of English women, is now free to concentrate purely on designing for various Japanese manufacturers who will market Yuki products through a new organization.

With a fair number of predatory eyes watching the insurance sector, Kleinwort Grievson has chosen an opportune moment to establish its first real insurance team. It recently recruited top analyst Roger Harvey from Greenwell, and I hear it has now poached insurance salesman Willie Innes from Sheppard's. Innes starts at the end of this month.

The beagle has landed

Does nothing in the Square Mile run smoothly any more? Even the City's own pack of beagles, now into its third week of existence, ran into trouble with the RAF police at the weekend. The hounds, followed by green-coated huntmen and whippers-in, apparently skipped over rolls of barbed wire in their pursuit of a hare and found themselves invading a highly secret RAF camp near Northampton, bristling with missiles. RAF police raced to the scene with lights flashing, but, upon discovering that they were dealing with the upper classes and not a crowd of "peaceniks", helped to round up the pack and kindly pointed out a gate for the Hoomys and their hounds to leave by. The pack, the Newmarket Beagles — branded as the Yupmarket Beagles by less fashionable huntin' chaps — will be holding its first hunt ball at Armoury House, home of the Honourable Artillery Company, in the City on November 7. Tickets are selling at £25 each, with the choice of sedate supper room with classical trio or gung-ho room with barbershop quartet, from Mark Melvin at Hambros.

If you've lost a lot of money in the stock market this week, spare a thought for those in the timber market. In Sussex, one of the counties worst hit by last Friday's hurricane, the price of pine has dropped from 180p a cubic — whatever that might mean — to just 10p.

Carol Leonard

COMMENT Kenneth Fleet

Faded 1929 memories and the prospect now

Cassandra who on Tuesday prophesied a repeat of the 1929 Wall Street crash were certainly premature. So too were the knee-jerk optimists — bewildered politicians among them — who immediately cried that the earthquake was over as soon as Wall Street and Tokyo had settled for two days and London for one.

At this stage, it would be foolish to assume anything and wise to prepare for the worst. That way the worse is less likely to happen.

The great crash of 1929 is so far away that the details have faded into a kind of sepia folklore. The share price index actually rose on four of the ten days of the initial crash which had begun on Black Thursday (October 24). As J.K. Galbraith observed in *The Great Crash of 1929*, prices had a particularly nasty habit of plummeting on Mondays, after a weekend of reassurances — from the press, politicians and business figures — that the worst was over and the economy was fundamentally sound.

In a timely paper Peter Thompson of BZW recalls that shares prices fell an average of 40 per cent on Wall Street in four weeks. But immediately after the end of the first phase of the crash on November 13, the index bounced 15 per cent in two days. After only modest changes for the rest of the year, prices then recovered more or less steadily until April 1930, by which time they had regained half the losses of the crash. Then the chain of default took over and prices did not bottom until the middle of 1932, by which time they were little more than 15 per cent off their peak.

It was Mr Thompson, a long thinker in the old de Zoete tradition, who forecast a sharp shake-out in July. He is not a prophet of doom. In his view, share prices, having fallen by about a quarter in London and a third from the peak in New York, are reasonable in relation to fixed-interest and other investments, though momentum may take the fall further before big institutions come back into the market to buy "undervalued" stocks.

There will not be a repeat of 1929, on this view, principally because the markets are now dominated in volume by pension funds, insurance companies and other big institutional investors, rather than rich individuals and small-time speculators. Back in 1929, the big institutions were nothing like so big, and they invested primarily in fixed-interest bonds. The share market was prey to the worries of individuals and to the effect of stop-loss margin calls wiping out those who had speculated on credit.

Trading on margin or credit is now heavily restricted in New York. It is a minor force in London. In Tokyo, it is controlled to act as a damping influence.

minimum margins are raised when prices are high.

There are new engines of collapse which we have seen at work in recent days. Prominent among them are the new screen-trading mentality in London, stop-loss programme trading in New York, and the tendency of markets to follow each other round the clock. These destabilizing influences are more easily stopped at the centre. The moratorium on programme trading systems on Wall Street is an extremely encouraging move, provided the voluntary agreement holds.

In Tokyo, there is a new source of potential collapse in the pyramid built by companies using their cash — and even money raised through share issues — to buy shares in other companies, for instance through the Tokin funds. Since profits from this incestuous business form a significant proportion of the profits of many Japanese industrial companies, there is a triple sequence that might result in a downward spiral.

Companies may be forced to sell stock in order to take cash from the market; their losses on securities could curb their business investment; and the loss of profits makes their own shares worth less.

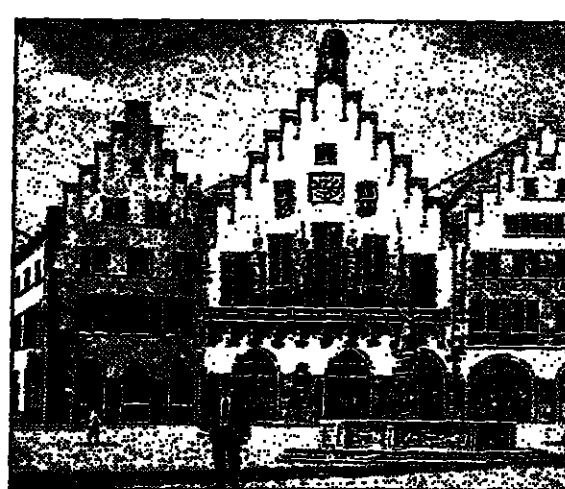
The role of the institutions remains the best protection against an irrational market crash. With the exception of the investment trusts and some of the unit trusts, the big funds have a steady flow of money coming from savers and pension scheme members that will not dry up, whatever happens to equities in the short term. The institutional billions drive the market, not the new millions of small shareholders.

Those of us old enough to remember London in 1974 know that a flow of savings does not necessarily mean that institutions will plough money into equities in a steady stream. Many will already have convinced themselves that London and other world stock exchanges do not face a slump; but as a result of what has happened, they probably think that markets are scheduled for a lengthy bear phase.

On Monday, the bull mentality was still in place, with sharp investors looking to buy on the fall and make profits. The bear mentality may already have taken over. Instead of looking on dips to buy, investors will look for recoveries as an opportunity to sell and reduce their losses, with the thought, perhaps, of buying on the next fall.

It is too soon to be sure about anything. But more than just the froth has been taken off the market with it has gone the starchy notion that the sky's the limit. It is hard to see prices rising effortlessly to their previous peaks and beyond. When the panic is over, the trend is likely to be down, though not catastrophically down, for most of the next year.

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مصرف باركليز

As professionals grapple with stock fluctuations, the man in the street has been left to fend for himself

The small investor's guide to risk-cutting

By Carol Ferguson

The forces rocking world markets may only be dimly understood, but they are felt as strongly as the pull of gravity. And the effect so far has been the same: share prices are plunging earthwards.

As the professionals grapple with changes which occur faster than their computers can keep up with them, few have time to worry about the man in the street who has only recently become a shareholder through participation in the Government's privatization programme.

So far, in fact, most investors in the privatization issues are still showing sizeable profits. Of 14 government issues now on the market, all but one, Rolls-Royce, are still showing a profit over the issue price.

Many investors who have bought for the long term will decide to stay with their shares, especially if they do not need the money and if their holdings are small, in which case dealing costs become a consideration.

However, after the gyrations of the last few days, it must now be wondering whether investment is a mug's game and he should get out while the going is good.

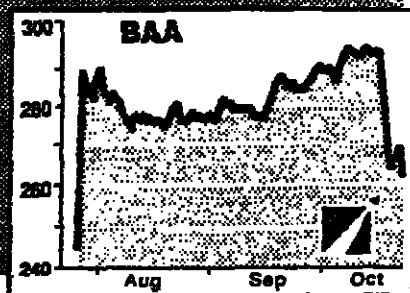
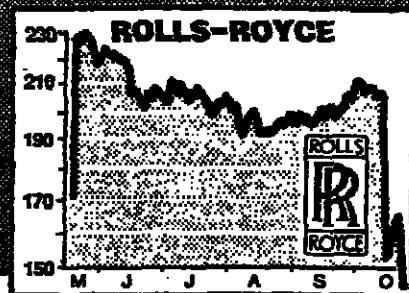
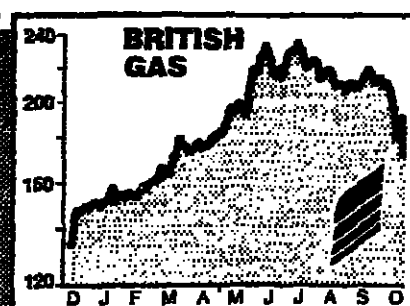
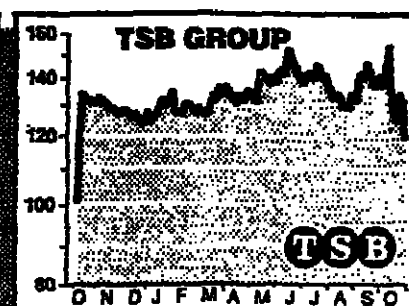
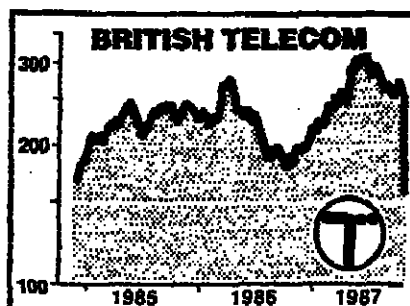
The trouble is that investment is not a mug's game, and once an investor owns a portfolio of stocks and shares, he then has the job of monitoring

the progress of his shares, and of course of alternative investments. To have started out with government issues has generated a taste for the excitement of watching their value rise. The falling stock market should temper this with a realization that share values can also go down.

But the small investor must now review his portfolio, to decide whether he should not be restructuring it in the light of the changed values in the market.

Despite the steep fall in British equity prices, the fundamentals of the British economy have not changed. It is still one of the healthiest of the developed economies, with low inflation and strong GDP growth.

The United States economy looks less healthy, however. Strong economic measures could turn the US economy round, but this could only be achieved with another sizeable fall in the dollar. Shareholders should therefore be concentrating their portfolios in stocks which do not have exposure to the US dollar. Privatization shares to avoid would be Rolls-Royce and Jaguar. Rolls-Royce is now 144p, 26p below the issue price and 87p below its high. Jaguar, one of the earlier privatizations, is 400p compared with the issue price of 165p.



Stocks which depend strongly on the volume of international trade such as BAA, British Airways and Associated British Ports could also be affected, although this is a lower order risk.

The lowest risk of all is in the shares of companies which are purely or predominantly dependent on Britain for their business. During this period of instability, investors should therefore consider concentrating their portfolios in some of the higher-yielding stocks, since the yield will give protection against further falls.

There are six stocks which

have outstandingly high gross yields. British Aerospace, for example, is currently yielding 6.4 per cent. Future earnings growth is wholly dependent on growth in demand for new civil aircraft, but the yield should ensure that further falls are limited. The current price is 404p, compared with this year's high of 688p. The shares are still 29p above the issue price of the second tranche.

Sporting a slightly lower yield (6 per cent), but much less risky, is British Gas. Adding in the 40p final instalment due to be paid in April 1988, the current price of 173p

is well below the high of 240p, but still comfortably above the issue price of 135p. Good earnings growth is expected, and as there is no exposure to the US dollar, there could be strong demand for British Gas shares from overseas.

Afficionados of privatizations will be bound to have some oil stocks in their portfolio, either from four earlier sales of BP, or from the flotations of Britoil and Enterprise.

Steep falls in the price of BP and Britoil have put both of them in the high yielding category. From a high of 410p,

BP is now 274p and yielding a handsome 6.2 per cent. Britoil has been as high as 359p, but has fallen to 244p, still above the government's offer price of 215p for the first tranche and 185p for the second, and offering a yield of 5.6 per cent.

Enterprise Oil, on the other hand, is yielding a mere 4.9 per cent. Shareholders are showing a 78p profit on the offer price, but the current price of 263p is well below the high of 348p.

The argument in favour of holding oil stocks is that tension in the Gulf has been exerting an upward pull on oil

prices. This has undoubtedly helped Opec to stabilize prices around its \$18 a barrel official price, and North Sea Brent has firmed to just over \$19 a barrel.

Casting its gloomy shadow over this cosy picture is the looming threat of a falling US dollar, which would reduce the sterling value of oil. This is particularly critical to Britoil and Enterprise, which are entirely dependent for their income on the sale of the oil and gas they produce.

BP, on the other hand, is to some extent shielded from the worst effects of a weak dollar, as oil is also a raw material for its refineries.

If an investor simply cannot afford to lose his money, there is an argument that says he should not be a shareholder at all. However, the privatization programme offered the lure of instant profits and, understandably, the public was tempted.

For such an investor, it would be prudent, even at this stage, for him to hedge his bets by selling the riskiest half of his portfolio and concentrating the other half in the lowest risk, high-yielding, British stocks.

However, those investors who have not been scared off altogether should also be looking beyond the privatization issues to broaden their shareholdings to take in some other British blue chips while their prices are low.

Air France postpones stake sale

Paris (Reuters) — Air France has delayed the capital increase scheduled for November or December in which a 15 per cent stake in the national airline was to be launched on the Paris Bourse.

A company spokesman said yesterday that the delay of the privatization of the Matra defence and electronics group for an unspecified period meant that the state-owned Air France sale was also postponed. "We are in the queue behind Matra," he said.

M Edouard Balladur, the finance minister, announced on Wednesday that the Matra sale was to be put off for a number of days or weeks following the sharp fall in stock prices this week.

Air France had scheduled a news conference for today ahead of the share flotation, but issued a communiqué postponing this indefinitely too.

The sale of 15 per cent of Air France to private investors is intended to make the airline's finances more flexible and give it better access to the market, but should not be viewed as a first step towards a wholesale privatization, government officials said.

M Balladur has insisted that the privatization programme will not be held up for political reasons but it will take account of market conditions. He has yet to name a date for the privatization of the Union des Assurances de Paris.

Impala Platinum plans new mine

By Colin Campbell

Impala Platinum Holdings, a member of Gencor, is to establish a new platinum mine in South Africa's Transvaal province at a cost of R400 million (£117 million at the commercial rate).

The Karoo mine will be near Impala's existing platinum-mining complex near Rustenburg and will have an initial output level of 100,000 ounces of platinum a year. This should eventually increase to 300,000 ounces a year.

Impala plans to raise R300 million through a rights issue to help fund the development.

Mr Don Ireland, Impala's managing director, said yesterday, however, that the rights issue was not expected to have a material effect on Impala's dividends in the current financial year. The 1987 dividend of 160 cents a share should be maintained.

Impala is one of South Africa's leading producers of platinum group metals and acknowledges that, in view of plans by other mining houses to develop new platinum mines, Karoo will have to be competitive.

Other plans include those of Gold Fields of South Africa, which last year announced the go-ahead for its Northern platinum project — in which Consolidated Gold Fields of London has a direct 13 per cent stake — and which raised R288 million in two recent rights issues. Northern, listed on the Johannesburg Stock Exchange, should come on stream in 1991.

Impala has been encouraged to proceed with a new mine after customer demand for

metal supplies exceeded its present contractual requirements.

The mine will be operated by Gazelle Platinum Holdings, a wholly-owned subsidiary which could in time be listed on the Johannesburg Stock Exchange and in London.

Gazelle is being developed partly to maintain output of platinum group metals as production from the present mine declines over the next few years, Mr Ireland said.

He said: "The expected recovery grades... are comparable to, or better than, the grades and recoveries obtained by Impala's existing mines." Impala is South Africa's second biggest platinum producer after Rustenburg Platinum Holdings.

The two producers together account for about 80 per cent of the Western world's platinum supplies. Neither company discloses production figures but South African mining analysts estimate they produce between 2 million and 2.5 million ounces of platinum a year.

The capital cost of bringing the Karoo mine to the stage of initial production is estimated, at present terms, at R406 million.

Mining analysts are generally positive about the price prospects for platinum and, in turn, for other platinum group metals.

The platinum price has, in recent years, consistently traded at a premium to the world gold price. The free market price yesterday stood at \$577 an ounce.

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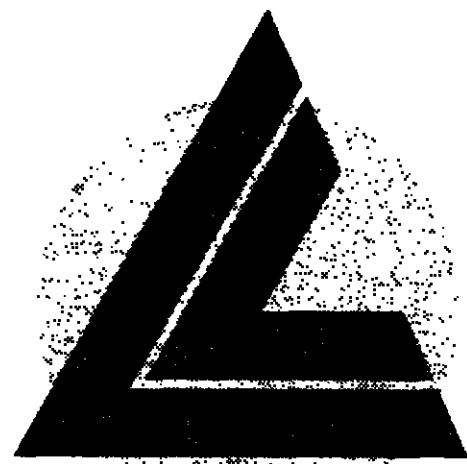
INTERIM STATEMENT

The Group made a good start to the year but did not fully anticipate the severity of the decline in fixed interest markets since the middle of June. Profits for the first six months of the year are small but slightly higher than for the corresponding period last year.

The Directors have decided to pay an interim dividend in respect of the half year to 8th October, 1987 of 3p per share (1986: 3p per share) which will cost £1,143,486. The dividend will be paid on 2nd December, 1987 to members on the register at the close of business on 13th November, 1987. Transfer books will be closed for the day on 16th November, 1987.

It is not the practice of the Company to send the half yearly report to shareholders but it is published in recognised financial newspapers and copies of it are available to the public at the Company's registered office, 32 Lombard Street, London EC3V 9BE.

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BUSINESS SUMMARY

UK firms win £33m contracts from Shell

Contracts worth £33 million have been placed by Shell UK with British companies for work on its Tern and Eider projects in the North Sea. The total cost of the two projects will be £1.2 billion with more than 90 per cent of the work going to British companies.

The fields lie in water of almost 600ft, north east of Shetland, and are due to start production in 1989. The projects will provide 6,000 jobs in Britain.

Acquisition for Beaverco

Beaverco, the USM manufacturer of foam products, is paying a maximum of £1.1 million for Sari Fabrics, which makes household accessories. It is paying an initial £749,000 cash and further payments will depend on Sari's profits.

Town Centre makes £3.3m

Town Centre Securities, the property investment and dealing company, yesterday announced full-year pretax profits of £3.3 million (£3 million). The company is paying a final dividend of 0.85p, making a total of 1.25p (1.1p).

WA Holdings ahead

WA Holdings, the rubber and plastics specialist which moved into the services sector in July when it bought Conference Associates, a conference organizer, has lifted profits from £564,000 to £665,000 in the six months to July 31, on sales of £10.29 million. Earnings per share rose from 1.39p to 1.59p and shareholders will receive an interim dividend of 0.4p.

The company says sales at Bebecar, the distributor of Portuguese-made baby accessories which it bought last December, remain sluggish. But it says Bebecar's 1988 collection has been well received.

Flat response for Siebe

Siebe's £214 million rights issue was hit by recent unsettled conditions in the stock market and only 42.8 per cent of the shares were taken up by shareholders. The shares fell 22p yesterday to 361p compared with a rights price of 390p.

Queens Moat loan facility

Queens Moat hotels group has arranged a multiple option loan facility which it says will enable borrowings to be restructured at favourable interest rates. The facility was arranged by NatWest and a syndicate of 16 international banks.

No change at Gerrard

Gerrard & National Holdings, the discount house, yesterday produced an interim statement to October 5 that virtually matched the one last year in terms of the paucity of information provided to shareholders. The company says "profits for the first six months of the year are small but slightly higher than for the corresponding period last year."

Gerrard said it made a good start "but did not fully anticipate the severity of the decline in fixed interest markets." The same 3p interim dividend as last year is being paid.

Brussels: 1992 and all that (II)

Let there be enlightenment

In his second report on the EEC Commission, Paul Raven calls for urgency in the Government's campaign to teach British businessmen how to play their full part in Europe

Lord Young's "Get ready for 1992" message comes, gift-wrapped, in a Government Common Market awareness campaign. The usual aim of such exercises — apart from photo opportunities for ambitious under-secretaries, and the diversion of minor honours from witty TV script-writers to boring industrialists — is to tell people something that the Government believes it knows, and feels they don't, and should.

Even Tory ministers think the man in Whitehall knows best, but now insist that he ought to share his advantages. The 1992 project may well call for this patronizing process, but awareness will need to amount to more than a vague idea that, because something called Europe is at hand, businessmen should get off their managerial butts, grab export opportunities and prepare to repel foreign boarders. A general sense of impending boom or doom does not amount to enlightenment. Lord Young's wake-up tune will have to be much more urgent and intricate.

Managers should be made and kept aware of the general effects of the EEC Commission's proposed and actual changes in taxation, public procurement and frontier formalities, and alerted to the details of other specific items in the 1992 timetable which could alter their immediate operating environment.

Though full freedom, scheduled for 1993, may be a decade late, they should appreciate that much has already arrived, and further, important, elements may come into play tomorrow or next week.

When they have acquired this basic knowledge of the Commission's programme, they must also accept that future negotiations among 12 governments may wreck time-tables and transform current proposals.

They should beware of the danger of extrapolating 1993 from 1987. The internal market cannot be just a wider

export/import battlefield, in which we gain a few and we lose a few, while life goes on very much as before. What is on its way is a European economic community, not just a European free trade area.

Freedom for goods will come with freedom for people, money and services. The internal market will be neither a blow-up of our familiar domestic market, nor a simple revving-up of classical export/import trading.

Under the 1992 programme, professional qualifications will become transferable. Mortgage, pension and insurance services, which often decide work-place preferences, will operate freely across national boundaries. People will be able to move to other member states where their home-country experience and contacts will have a new, enhanced value.

Harmonized trading prac-

tics and regulations will bring stock exchanges and investors into a European financial network.

British managers will need to see the point of recruiting some staff from other EEC countries, seeking equity capital there, and establishing new, co-operative trading arrangements, using common selling and distribution resources.

Such arrangements would handle two-way flows of goods and services while building up their capacity to tackle American, Far East and other world markets.

All these changes add up to a slow, but massive, revolution. Awareness — if it isn't to be hopelessly superficial — will have to get this daunting truth across to small, medium and large firms, in manufacturing, trade, transport and finance, in the north as well as south, at factory and office, as well as boardroom level.

They will expect guidelines and supplementary information at all stages.

The Department of Trade and Industry may have to re-jig its national, regional and Brussels arrangements to carry new communication and consultation loads. That could fit neatly into Lord Young's broader five-year plan to revitalize the department.

How would such intensive official support square with the Tory creed of commercial self-help? Well, joining the EEC was a government, not a business decision and, while managers are fairly accustomed to coping with normal British legislation, the complexity and intensity of the 1992 regulatory programme, together with its unfamiliar style and content, cannot be assimilated by the average company without a great deal of departmental hand-holding.

This time round, that coy device of an awareness campaign may be truly justified.

IMI to leave engineers council

By Derek Harris, Industrial Editor

The Institute of the Motor Industry, the professional engineering body for those in the vehicle industry, from transients to senior managers, is breaking away from the Engineering Council.

This means the IMI's 5,000 technician engineers will no longer be registered through the council.

The potential loss in income for the council is more than £25,000. Mr Roy Ward, the IMI director general, warned when announcing the IMI decision last night.

The IMI has fallen out with the council on two counts. One is over the council's plan to drop the title of technician engineer (Eng) and substitute for it that of incorporated engineer (Eng).

At present there are three grades of professional engineer: chartered, technician, and engineering technician. Many in the profession felt that the last two titles easily caused confusion outside the engineering profession but the IMI, which includes the second largest group of technician engineers in the engineering profession, was among those in favour of retaining the technician engineer title.

The council claims that there has been increasing support for the change, particularly from the big companies.

There has also been friction over a council edict banning the IMI from adding a surcharge to registration fees collected for the council. The IMI has been charging £1 to cover administrative expenses.

The IMI refused to collect the fees for nothing. Mr Ward said: "Why should 80 per cent of our membership subsidize the remaining 20 per cent in this way?"

Mr Ward said the IMI had not taken the step to leave the council lightly. It had a genuine desire to work closely with the council in developing standards and the status of engineers, particularly in the motor industry. He was disappointed that the council had failed to develop the partnership.

The council is planning to tell the IMI's technician engineers that if they wish to keep their titles they have the option of joining another professional body. There are several to which they might logically belong, it is argued — or of registering direct with the council.

Dr Kenneth Miller, director general of the Engineering Council, said the options would be explained to IMI members because, with regard to the IMI action, "we do not feel that individuals should be treated in this way."

The IMI technician engineers would have the further option, however, of remaining with the IMI. But what is not yet clear is whether, when the technician engineer title is fully discontinued, it could be used by the IMI. This is what the IMI would like to see happen.

Maude concern on new Act

By Colin Narborough

Small intermediaries are causing the Government a headache, as this hitherto unregulated part of the financial services industry is proving more difficult to reach than others in preparing for the new regulatory framework that becomes effective next year.

Mr Francis Maude, the Minister for Consumer and Corporate Affairs, said the problem was that small intermediaries, largely in life insurance, were being brought into the scope of regulation for the first time.

They therefore tended not to be part of any network and

there was "no neat list of practitioners," he said.

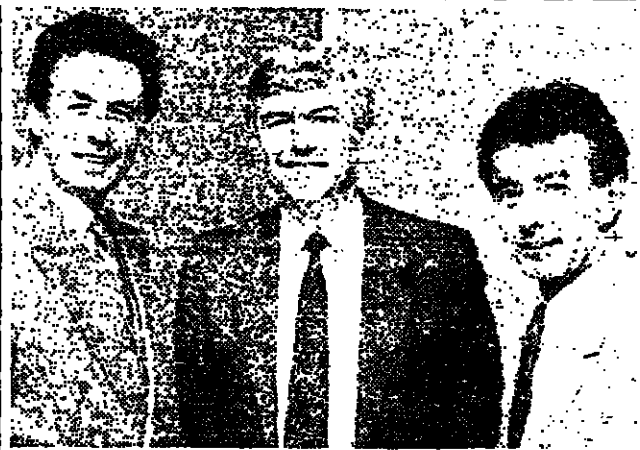
Since last month, the Department of Trade and Industry has conducted a nationwide warning campaign intended to remind the financial community that time is running out for those who wish to be authorized under the Financial Services Act.

Individual practitioners or businesses must have applied to their relevant self-regulating organization by early next year if they wish to be sure of authorization by the time the main provisions of the Act are implemented in early April.

To carry on business without authorization beyond the implementation date will be a criminal offence.

Mr Maude said the DTI was going "beyond the call of duty" in its efforts to reach the small intermediary.

As part of the DTI campaign, Mr Maude has personally been carrying the message to the regions. Yesterday he was in Edinburgh, Britain's second financial services centre, giving the warning that time was running out — north of the border too — for those wanting to apply for authorization.



TIP team: (from left) Tony Rieger, Jim Cleary, Joseph Los

Float to help TIP keep market lead

By Alexandra Jackson

There are more than 500,000 container trailers in Europe. Traditionally, they have been owned outright, but an increasing number of companies is opting to lease trailers.

Five years ago, the percentage of leased trailers accounted for about 3 per cent of the total market. This has now climbed to 8 per cent, and research suggests that leased trailers could comprise 15 per cent of the market by the early 1990s.

The European leasing market is fragmented, but three companies have reached a reasonable size. TIP Europe is the market leader with 10,000 units and a 26 per cent market share. Rentco has 6,000 units, while fast-growing CTR, a subsidiary of Tiphook, has 4,500.

TIP was the subject of a £60 million management buyout from Gelco, its American parent, last year. The buyout was led by the present team, Mr Jim Cleary, the chairman, Mr Tony Rieger, the chief executive, and Mr Joseph Los, the finance director. Market conditions permitting, TIP is

simultaneously seeking a full listing on the London and Amsterdam Stock Exchanges next month.

The flotation of TIP Europe is expected to raise £25 million via an offer for sale, capitalizing the company at about £100 million. The proceeds will be used to reduce borrowings and to upgrade the trailer fleet.

TIP's fleet has been reduced by 17 per cent over the past five years, but the proportion of higher-earning premium trailers has risen from 30 per cent to 60 per cent.

In the past four years, TIP has spent £40 million on trailers, mostly funded from cash-flow. The capital cost of doubling the fleet in line with market growth could cost more than £150 million.

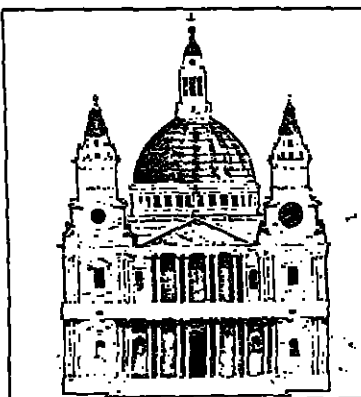
The group believes much of its success is due to its centralized approach, with all financial matters going through one office, in Amsterdam. TIP has 280 employees operating through 42 branches in nine countries.

In the year to end-July, TIP increased pretax profits from £4.8 million to £7.2 million.

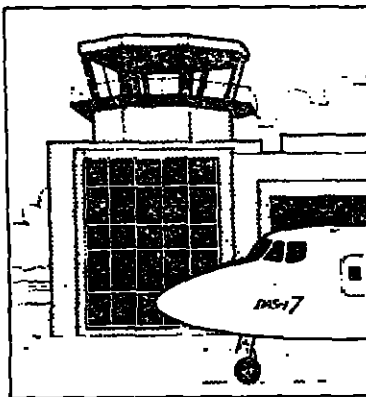


LONDON CITY AIRPORT

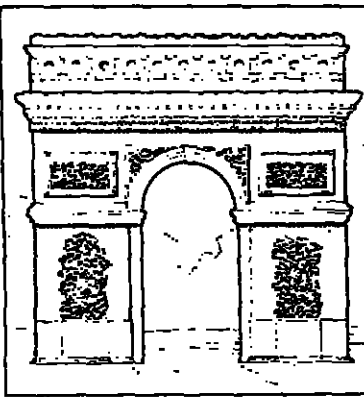
THERE AND BACK WITH TIME TO SPARE.



08-00 hrs



09-00 hrs



12-00 hrs



15-45 hrs

From October 26, the busy executive dashing off for a meeting in Paris, won't have to write off the whole day.

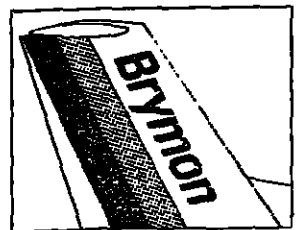
London City Airport, just six miles east of the City, will give business travellers what they value most — time.

Time for an early-morning briefing in the City before catching a 9.00am flight. Time for a long meeting with associates in Paris before leaving Charles de Gaulle at 3.00pm. And time at the end of the day to catch up on events back at the office.

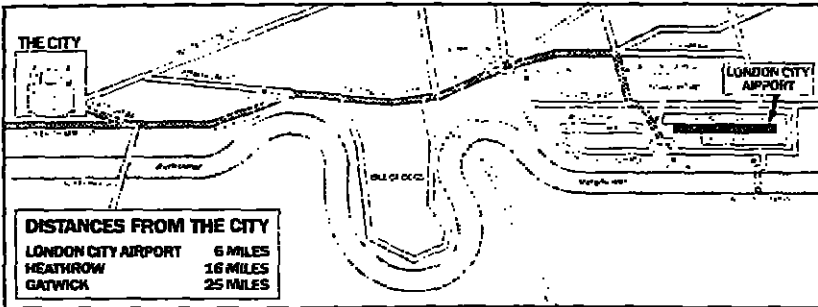
London City Airport will be offering regular flights to Paris, Brussels and Plymouth (and other key destinations soon), backed up by specially tailored airport facilities and in-flight services.

With Docklands already taking off as the financial and commercial services centre of the UK, London City Airport is set to change the face of business travel.

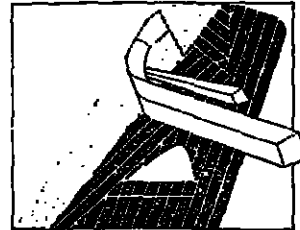
For reservations contact your travel agent or the airlines direct.



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The herald and tribune in Chicago

Taking charge at America's AB Dick "rejuvenated" David Powell – and the business. Next comes major expansion of The General Electric Company in the US: "we've got the money," he tells **Robert Heller**, "and we've got the urge."

FEW roles inside The General Electric Company offer greater scope than David Powell's – and not just because his territory takes in the world's richest market and GEC's most obvious growth potential. The group's sales in the United States are now comfortably over a billion pounds; but nobody doubts, least of all Powell, that the American business "must be" greatly and rapidly expanded as the most crucial element in GEC's drive to "grow and be international – as I believe it should be and will be."

Another aspect of Powell's scope is the vast range of options in a market where "you're driven by the competition. It's very widespread, very real and sometimes very big."

He talks of the "elephants" which dominate some sectors. Part of Powell's role is helping to find the niches where GEC can become equally dominant through developments that will take several forms. He has first-hand experience of one: buying a free-standing US company and making it work.

The business, AB Dick, was not the most brilliant purchase in GEC's history – it was a "mature business", as Powell says, that needed to be rejuvenated. The \$103 million purchase price looked worse and worse as the losses under GEC ownership grew larger and larger.

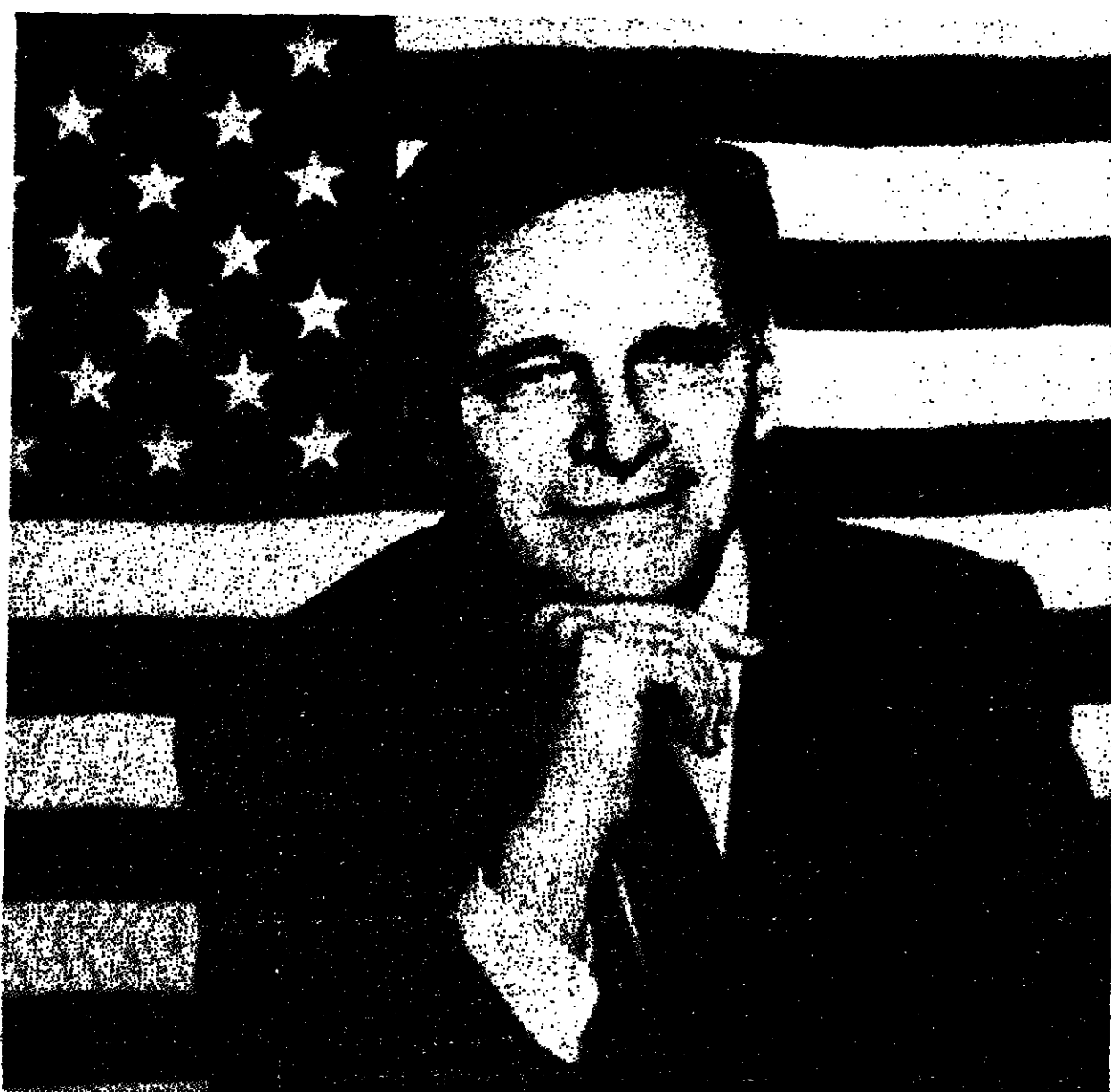
Powell was sent across to Chicago in 1983, aged 54, with the instruction from Lord Weinstock to "Get over there. Do what you like. I don't want to see any more figures like that." Powell had "always had a hankering to try my hand at working in the States", but he had thought it "a bit late in life to start new pastures". There was also some question in his mind over whether there was "a man-sized job in the USA. But the balloon went up with AB Dick."

"My main job was to get the animal healthy."

It took only 18 months for Powell to bring the company and its losses down to earth – basically by deciding to "get back to what we were good at." That was the core product line, offset duplicators.

Powell had come from heading GEC's diesel companies. "The diesel industry too was always going to decline, according to the pundits," he says. While offset duplicating is also now a mature technology, it is actually growing by a steady 6% per year, the offset process provides "cheaper, better quality" copies than xerographic copiers and has given AB Dick a large share of the quick print industry.

On that foundation, Powell has begun to do something he loves: "grow a business." AB Dick is now selling "a full line of copiers" (made for it outside) along with its offset products. It makes its own electronic publishing system, too, for a market that is already the second largest for micros – and may well overtake word-processing to become the biggest.



David Powell, Chairman and CEO of AB Dick Company.

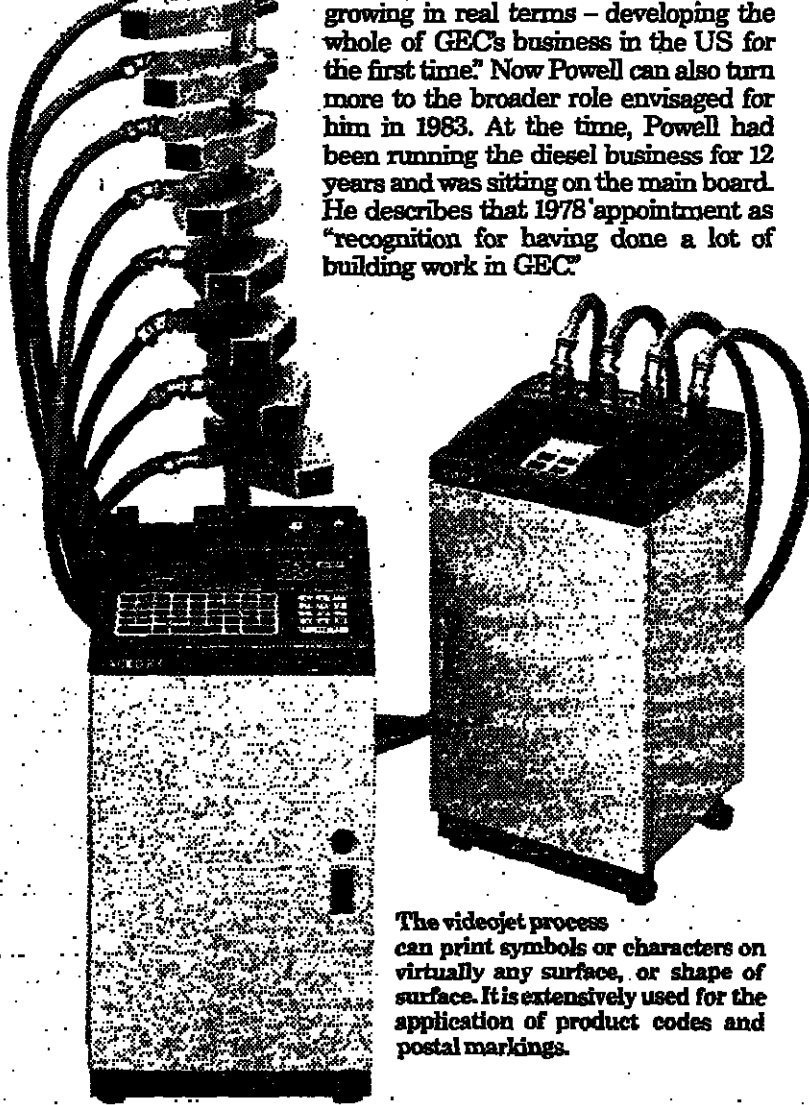
Photography by Terry O'Neill

And then there's Videojet Systems, Inc. This business has grown in sales by 20-25% annually until its profits roughly equal the hugely recovered earnings of the Dick parent.

The Videojet technology consists of a continuous stream of tiny ink droplets, forced through a minute orifice at high velocity, and controlled electrostatically to deflect the individual droplets and "paint" dot-matrix characters on virtually any surface.

What was first developed as an office printer eventually found its growth in industrial marking as applications emerged in coding the concave ends of aluminium beverage cans, postal bar codes on mail pieces and now much more.

Videojet has greatly helped Powell in meeting his personal challenge at AB Dick. "My main job was to get the animal healthy. Now – how do we use it?" The turnaround is complete and "we're growing in real terms – developing the whole of GEC's business in the US for the first time." Now Powell can also turn more to the broader role envisaged for him in 1983. At the time, Powell had been running the diesel business for 12 years and was sitting on the main board. He describes that 1978 appointment as "recognition for having done a lot of building work in GEC."



The videojet process can print symbols or characters on virtually any surface, or shape of surface. It is extensively used for the application of product codes and postal markings.

A chartered accountant, he came to GEC from English Electric in 1963 because he wanted "a chance for general management." He became perhaps the most mobile of GEC's senior managers. First, as Number Two in the Power Engineering Division, Powell was plunged into decentralisation, then, moving onto the second spot in the Telecommunications Group, he concentrated on computers and production control, forward planning, reducing work in progress, and otherwise exploiting the major areas of profit potential.

In 1966, the Telecommunications job took him for the first time to the

"You're driven by the competition."

US. After visiting "some of the better companies" and "staying up all night dictating notes," he came back "absolutely fascinated with what I'd seen" at companies that were "deeply involved with management-philosophy. What impressed me more than anything were the management measurements."

Powell's fascination became an important factor in developing the famous management ratios for which GEC managing directors are held to account to this day. Moving on again, Powell became the Director of Planning at Stanhope Gate, "but it wasn't planning."

He was a veteran of the controversial Woolwich closure (possibly British industry's first major rationalisation); and Powell actually spent most of his time "helping people with rationalisation in the wake of the English Electric merger."

POWELL is now deeply involved in making sense of another left-over from his former employer: "the old English Electric in New York," set up to sell products of the divisions back home, and loaded with the usual problems of never satisfying anybody.

This type of approach is another of the many routes to the group's future American growth. Powell is adamant that GEC has "got to be international," even if, in consequence, the centre of gravity in some sectors "may have to be somewhere else" – not in Britain. That's most likely to mean America simply because "something like 40% of the world market is the US; it's surprising in how many industries it's, plus or minus 40%."

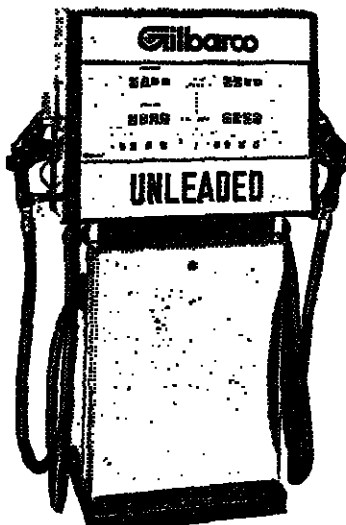
Powell got known as "the America lover" when based in Britain: in fact, at diesels he was the first GEC managing director to buy an American company. After all his visits and affinity, he "thought I knew the States." Not so: "I didn't until I lived there."

The US, he explains, "is a different country, is really a continent, a different culture." The key business differences are, first, that "price is more important than value"; second, there's "far more intense competition – take your eye off the ball for a few weeks, and you're dead"; third, "you've got to deliver"; and fourth, service and support are vital to customers "who will say your product works, then ask: but how do we do this with it?"

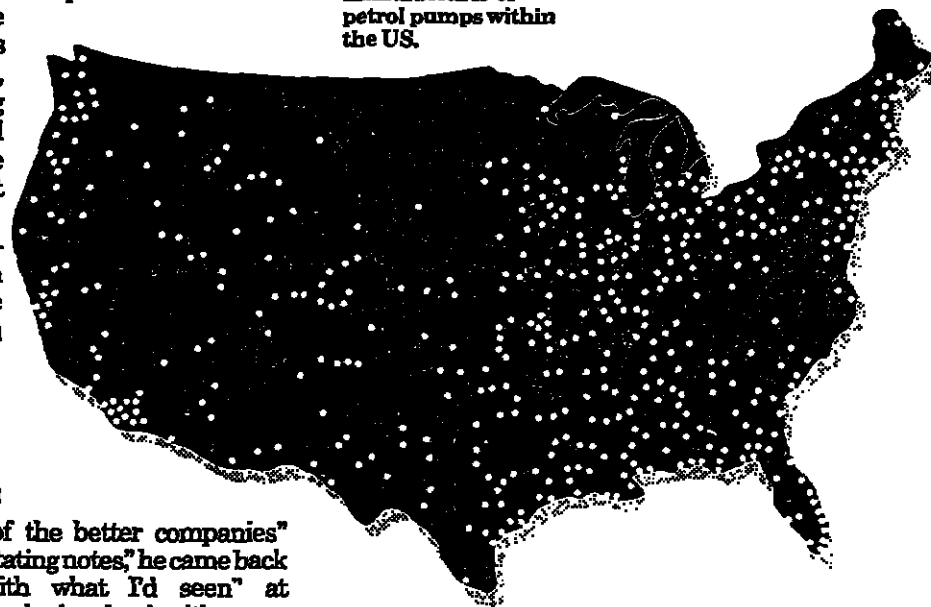
FOR an ambitious company like AB Dick, that all adds up to national distribution – a phenomenally costly set-up (taking anything from \$25 million to \$50 million to establish from scratch) that is a crucial justification for buying Dick. It has 70 owned branches in North America, accounting for two-thirds of its business; 110 individual distributors; and 230 dealers – "we're represented in every town and city with over 25,000 people."

That represents an enormous asset, and Powell is determined "to utilise this network to sell more products, more processes." He stresses that organic growth in the US never comes easily, and won't come at all without one essential: "You must commit absolutely" for the long haul, above all by heavy marketing investment.

"Take your eye off the ball for a few weeks, and you're dead"



In the summer of 1987, in line with its major expansion programme, GEC purchased The Gilbarco Inc. Gilbarco is a leading manufacturer of petrol pumps within the US.



The creation of the AB Dick distribution network was a massive capital investment. It is now represented in every town and city with over 25,000 people.

AQUISITION is another, in some ways easier route: Powell cites GEC's recent purchase of Gilbarco, the very strong manufacturer of petrol pumps, as an example. But there are excellent opportunities for the British-based companies to develop their individual US potentials: "We've got the money," says Powell, "and generally we've got the urge."

The combination of money and urge could – and in his view should – result in a very rapid American build-up: doubling the US share in GEC's turnover inside three years is a feasible target. Working out the exact path to such ends is "a challenge in itself," says Powell. He has thrived on the first stage of the American challenge, and on the "tremendous satisfaction" achieved from turning round AB Dick. "I feel 10 years younger than when I first went out there," he says. "I've been rejuvenated."

Robert Heller is Editor-in-Chief of *Fortune* Magazine.

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2,194 million Ordinary Shares of 25p each are available for purchase.

Up to 1,369 million of these Ordinary Shares are being made available under the
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(payable in instalments on the same dates) under the International Offer.

The existing Ordinary Shares now being offered have been admitted to the Official List by the Council of The Stock Exchange. Application has been made to the Council of The Stock Exchange for the new Ordinary Shares now being offered to be admitted to the Official List. The following information should be read in conjunction with the full prospectus dated 15th October, 1987 relating to the Company, copies of which are available at clearing bank branches and post offices. In applying for shares you will be treated as applying both on the Terms and Conditions set out below and on the basis of the full prospectus, which you are advised to read before returning your application form.

APPLICATION AND INSTALMENT ARRANGEMENTS

APPLICATIONS

Applications must be received by 10.00 a.m. on Wednesday, 28th October, 1987 (or before close of business on Tuesday, 27th October, 1987 if the form is taken by hand to any U.K. branch of National Westminster Bank PLC, Bank of Scotland or Ulster Bank Limited). Photocopies of application forms will not be accepted in any circumstances. The right is reserved to reject, in whole or in part, any application. Once made, applications may not be withdrawn.

ALLOCATION OF SHARES

The basis of allocation of the shares is expected to be announced on Friday, 30th October, 1987.

If you are successful, in whole or in part, you will be sent a temporary document of title (a letter of acceptance) for the shares allocated to you.

If there is heavy demand for the shares, you may receive fewer shares than you apply for or, in some cases, none at all.

If your application is not accepted or is only accepted in part, you will receive (without interest) all money paid on application or a refund cheque for the balance of the money paid on application.

DEALINGS

It is expected that dealings on The Stock Exchange will commence at 2.30 p.m. on Friday, 30th October, 1987. Letters of acceptance are expected to be sent to successful applicants on Monday, 9th November, 1987. Applicants who deal before receipt of a letter of acceptance will do so at their own risk.

You will not be liable for stamp duty or stamp duty reserve tax on your application for shares. If you sell your shares, the purchaser will be liable to pay any stamp duty or stamp duty reserve tax.

FURTHER INSTALMENTS

You will be sent reminders in advance of the dates when the second and final instalments become payable. At the time the reminder is sent for the second instalment (due by 30th August, 1988) you will also be sent an Interim Certificate to replace the letter of acceptance despatched following the Combined Offer. After you have paid your final instalment (due by 27th April, 1989) you will be sent your final share certificate. If you do not pay any instalments for which you are liable, your right to the shares may be cancelled. If you sell your shares, the purchaser will become liable for any further instalments due (once the transfer has been registered).

SHARE BONUS ARRANGEMENTS

INTRODUCTION

If you buy shares in the Offer for Sale and continue to hold them until close of business on 31st October, 1990, you may be eligible to receive from HM Treasury, free of charge, a share bonus of one additional share for every ten such shares. The share bonus is only available if you buy shares in the Offer for Sale and not if they are bought subsequently.

Existing shareholders and members of the BP Group Participating Share Scheme do not qualify for the share bonus in respect of shares applied for on red preferential application forms.

The maximum number of bonus shares you can receive is 150 shares. Where shares are applied for jointly, the maximum number of bonus shares will remain at 150 shares, even if more than one of the joint holders is eligible.

Copies of the full terms of the share bonus arrangements will be obtainable from National Westminster Bank PLC, Registrar's Department, P.O. Box 472, Consort House, The Lombard Centre, East Street, Bristol BS99 1NW until 30th June, 1988 and thereafter from the Company at BP House, Third Avenue, Harlow, Essex CM19 5AG.

ELIGIBILITY

To be eligible for the share bonus, you must be an individual applying other than on a red preferential application form. Companies, partnerships, firms, trusts, associations and clubs are ineligible. In addition, your application must be made by you:

- solely for your own benefit, or for that of a child under 18 years of age if you are that child's parent, grandparent or guardian; or
- jointly, with up to three other individuals, solely for the benefit of one or more of you; or
- jointly with a nominee (who need not be an individual) solely for your own benefit; or
- jointly with a nominee (who need not be an individual) and up to two other individuals solely for the benefit of one or more of you other than the nominee.

DELIVERY OF THE BONUS SHARES

The bonus shares will be transferred to you (or, if you are a joint holder of your shares, to you and the other joint holders) as soon as reasonably practicable after 31st October, 1990 together with all rights attaching to those shares at that date. There will be no right to receive fractions of shares.

TERMS AND CONDITIONS

1. Acceptance of applications will be conditional on (i) the new Ordinary Shares being admitted to the Official List of The Stock Exchange not later than 30th November, 1987 and (ii) the Offer for Sale Underwriting Agreement referred to in paragraph 7(a) of Section 10 of the Prospectus dated 15th October, 1987 containing the listing particulars in relation to the new Ordinary Shares ("the Prospectus") having become unconditional and not being terminated prior to such date as HM Treasury may determine, being not later than 30th November, 1987. Application moneys will be returned (without interest) if either of these conditions is not satisfied and, in the meantime, if presented for payment, will be kept on behalf of HM Treasury in a separate account. Rights are reserved for HM Treasury and its agents to present for payment and otherwise process all cheques and bankers' drafts received and to have full access to all information relating to, or deriving from, such cheques, bankers' drafts and the processing thereof. The right is also reserved to treat as valid any application not in all respects completed in accordance with the instructions accompanying the relevant application form.

2. Acceptance of an application by an eligible investor will, subject to paragraph 3(c) below, entitle that investor to the share bonus on the terms referred to in Section 11 of the Prospectus.

3. By completing and delivering an application form, you: (a) offer to purchase from HM Treasury the number of Ordinary Shares specified in your application form (or such smaller number for which the application is accepted) on the terms of, and subject to the conditions set out in, the Prospectus and the Instalment Agreement (and, in due course, subject to the Memorandum and Articles of Association of the Company) and agree to become a party to and be bound by all relevant provisions of the Instalment Agreement;

(b) as a collateral contract between you and HM Treasury which will become binding on despatch to or receipt by a receiving bank of your application and in consideration of HM Treasury agreeing that it will not prior to 1st December, 1987 offer any of the Ordinary Shares to any person other than by means of one of the procedures referred to in the Prospectus;

(c) agree that your application cannot be revoked prior to 1st December, 1987; and

(d) warrant that your remittance will be honoured on first presentation and agree that any letter of acceptance and any monies returnable may be held pending clearance of your payment and will not bear interest;

(e) (i) warrant, if you write "yes" in Box 4 of a public application form or apply on a blue or green application form, that you are eligible for the share bonus (eligibility is explained under "Share bonus arrangements" in Section 11 of the Prospectus);

(ii) agree that, if you do not write "yes" in Box 4, you will not be entitled to the share bonus even if you might otherwise qualify;

(f) warrant that you are not a U.S. or Canadian person and you are not applying on behalf of any such person;

(g) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Sale shall be governed by and construed in accordance with the laws of England and you submit to the jurisdiction of the English courts;

(h) warrant that:

(i) if (if this application is made for your own benefit) no other application (other than any application you are entitled to make on a red application form) is being made for your benefit by you or by anyone applying as your agent (other than a discretionary Personal Equity Plan manager) or, so far as you are aware, by a discretionary Personal Equity Plan manager or by any other person; and

(ii) if the application is made by you as agent for, or for the benefit of, another person no other application (other than on a red application form) for the benefit of that person is being made by you or, so far as you are aware, by that person or by any other person;

(j) if you sign the application form as agent for someone else, warrant you have due authority to do so on behalf of that other person and undertake to enclose your power of attorney or a copy thereof certified by a solicitor, where this is required by the guide to completing the application form;

(k) agree that, in respect of those Ordinary Shares for which your application has been received and processed and is not rejected, acceptance of your application shall be constituted, at the election of HM Treasury, either (i) by notification to The Stock Exchange of the basis of allocation (in which case such acceptance shall be on that basis) or (ii) by notification of acceptance thereof to the relevant receiving bank;

(l) authorise the relevant receiving bank and the Custodian Bank to procure that your name (and the name(s) of any other joint applicant(s)) is placed on the register of holders of Interim Rights in respect of such Ordinary Shares the entitlement to which has not been effectively renounced and thereafter to procure that your name (and the name(s) of any joint applicant(s)) is placed on the register of members of the Company in respect of such Ordinary Shares the right to which has not been effectively transferred (references to rights being effectively renounced mean the renounce(s) being registered by a receiving bank in relation to such rights);

(m) agree that all documents in connection with the Offer for Sale (including the share bonus arrangements) and/or any returned moneys will be sent at your risk and may be sent by post to you at your address (or, in the case of joint applicants, the address of the first person) as set out in the application form or such other address as may from time to time appear in the register of holders of Interim Rights or the register of members of the Company by your name or the name of such person;

(n) agree that time of payment by you shall be of the essence of each contract constituted by acceptance of your application; (o) undertake to pay the second and final instalments by, and (in the case of any payment of £10,000 or more) for value not later than, 3.00 p.m. on 30th August, 1988 and 3.00 p.m. on 27th April, 1989 respectively, for each Ordinary Share in respect of which your application is accepted, the right to which has not been effectively renounced or transferred in accordance with the Instalment Agreement by you prior to the relevant time and date; and (p) agree that failure to make any payment when due will entitle HM Treasury to avoid the contract and re-sell the Ordinary Share to someone else, in which case you will be sent (subject to adjustment in the event of a capitalisation issue) a refund, without interest, equal to 120p or 225p per Ordinary Share resold (depending on whether the default is in payment of the second or final instalment respectively), whether or not the instalment(s) already paid for it exceed(s) that amount less any loss sustained by HM Treasury determined in accordance with the Instalment Agreement. No payment of less than £2 will, however, be made to you;

(q) agree that HM Treasury will allocate the new Ordinary Shares entirely in the Offer for Sale (and not in any other part of the Combined Offer) and that each successful applicant in the Offer for Sale will receive new Ordinary Shares and existing Ordinary Shares in the same proportions (or as nearly as may be practicable) as every other such applicant;

(r) agree that, without prejudice to any other rights to which you may be entitled, you will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application;

(s) confirm that, in making your application, you are not relying on any information or representation in relation to The British Petroleum Company p.l.c. or the Combined Offer other than information and representations contained in the Prospectus or in the mini prospectus published in connection with the Offer for Sale taken together with the Prospectus (the "prospectuses") and accordingly you agree that no person responsible for the prospectuses shall have any liability for any such information or representation other than as aforesaid;

(t) agree promptly on request to disclose in writing to HM Treasury any information which it may request in connection with your application; and

(u) agree that any letter of acceptance and application moneys in respect of any applicant suspected to be in breach of paragraph 3(f) may be held (without interest) pending investigation.

4. References in the application forms and guides to "shareholders" or "BP shareholders" include references to members of the BP Group Participating Share Scheme. Save as aforesaid and where the context otherwise requires, terms defined in the Prospectus bear the same meaning when used herein or in application forms.

No person receiving this application form in any territory other than the U.K., the Channel Islands or the Isle of Man may treat it as constituting an invitation or offer to him nor should he in any event use it, unless in the relevant territory such an invitation and offer could lawfully be made to him without requirements. It is the responsibility of any person outside the U.K., the Channel Islands and the Isle of Man or subject to the laws of any overseas jurisdiction receiving this application form and wishing to make an application hereunder to satisfy himself as to full observance of the laws of the relevant territory and to pay any transfer or other taxes requiring to be paid in such territory in respect of the shares acquired by him under the Combined Offer.

INSTRUCTIONS FOR RETURN OF THE PUBLIC APPLICATION FORM

SEND YOUR COMPLETED APPLICATION FORM BY POST (OR DELIVER IT BY HAND) TO ARRIVE NOT LATER THAN 10.00 A.M. ON WEDNESDAY, 28TH OCTOBER, 1987

at the appropriate address immediately below according to the first letter of your surname (or corporate name) inserted in Box 1.

A to Cg Bank of Scotland, New Issues Department, Apex House, 9 Haddington Place, Edinburgh EH1 4AL, or, by hand only, to 38 Threadneedle Street, London EC2.	Ch to F Barclays Bank PLC, New Issues, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD.	G to J Lloyds Bank Plc, Registrar's Department, Issue Section, P.O. Box 1000, 11 Bishopsgate, London EC2N 3LB.	K to M Midland Bank plc, Stock Exchange Services Department, Marine House, Fenchurch Street, London EC3N 4DA.
N to S National Westminster Bank PLC, New Issues Department, P.O. Box 78, 2 Princes Street, London EC2P 2BD.	Sk to Z The Royal Bank of Scotland plc, Registrar's Department, P.O. Box 190, 3-11 North St. Andrew Street, Edinburgh EH2 1HL, or, by hand only, to New Issues Department, 87 Lombard Street, London EC3.	USE FIRST CLASS POST AND ALLOW AT LEAST TWO DAYS FOR DELIVERY	

OR TAKE THIS FORM BY HAND BEFORE CLOSE OF BUSINESS ON TUESDAY, 27TH OCTOBER, 1987 to any U.K. branch of National Westminster Bank PLC, Bank of Scotland, or Ulster Bank Limited (in Northern Ireland).

Additional receiving centres are open for deliveries by hand until 10.00 a.m. on Wednesday, 28th October, 1987. These are set out on the back of the application form in the mini prospectus and in the full prospectus.

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GUIDE TO COMPLETING THE PUBLIC APPLICATION FORM

ONLY ONE APPLICATION MAY BE MADE FOR THE BENEFIT OF ANY PERSON except for any other application you are entitled to make as a shareholder on a red preferential form or an application made for your benefit but without your knowledge by a discretionary Personal Equity Plan manager.

If you have received a personalised BLUE form, you should complete that form.

If you are already a shareholder you may also apply on the RED form sent to you.

Otherwise, please use the form below.

- 1** Put in Box 1 your full name and address (please use block capitals).
- Applications must not be made by anyone under 18, but a parent, grandparent or guardian of a child under 18 may apply for the benefit of that child. To do this, you should put your own name in Box 1, and after your surname write "A/C" followed by the full names of the child and the child's date of birth. This does not stop you from making a single application for your own benefit.
- If you wish to apply jointly with another adult, see Note 7.

- 2** Put in Box 2 (in figures) the number of shares for which you are applying. You may only apply for one of the numbers of shares set out below. Applications for any other number of shares will be rejected.

Number of shares you are applying for	Amount you pay now (£200 per share)	Your total investment (£200 per share)
80	£160	£240
100	£200	£300
200	£400	£600
300	£600	£900
400	£800	£1,200
500	£1,000	£1,500
600	£1,200	£1,800
700	£1,400	£2,100
800	£1,600	£2,400
900	£1,800	£2,700
1,000	£2,000	£3,000
1,500	£3,000	£4,500
2,000	£4,000	£6,000
2,500	£5,000	£7,500
3,000	£6,000	£9,000
3,500	£7,000	£10,500
4,000	£8,000	£12,000
4,500	£9,000	£13,500
5,000	£10,000	£15,000

Above 5,000 shares, applications must be in the following denominations:

Applications	Multiples of
5,000 to 10,000 shares	1,000 shares
10,000 to 50,000 shares	5,000 shares
50,000 to 100,000 shares	10,000 shares
over 100,000 shares	50,000 shares

- 3** Using the middle column of the table above, put in Box 3 (in figures) the exact amount you pay now.
- Payment is in three instalments. The second instalment of 105p per share is payable by 3.00 p.m. on 30th August, 1988 and the final instalment of 105p per share by 3.00 p.m. on 27th April, 1989. A reminder about the second and final instalments will be sent to your registered address before they become due.

- 4** If you wish to receive the share bonus and you are an eligible individual or applying on behalf of an eligible individual, write "Yes" in Box 4.
- If you write "No" in the box or do not complete it, you will not receive the share bonus.
- If you are in any doubt about whether you are an eligible individual, you should read the details of the share bonus arrangements set out in the full prospectus or mini prospectus (including, if necessary, the arrangements for nominees' applications on behalf of others).

- 5** Read the declaration in Box 5, then sign and date the form in Box 5.
- The application form may be signed by someone else on your behalf if he is duly authorised to do so. An agent must enclose the power of attorney appointing him (or a copy certified by a solicitor), unless he is a Selling Agent, Financial Intermediary or U.K. Clearing Bank (as referred to in Section 10 of the full prospectus) and states the capacity in which he signs.
- A corporation must sign under the hand of a duly authorised official, whose representative capacity must be stated.

WARNING

Criminal proceedings may be instituted against anyone knowingly making or authorising more than one application for the benefit of any person except for any other application BP shareholders are entitled to make on red preferential forms.

- 6** Pin to Box 6 a cheque or bankers' draft for the exact amount you have entered in Box 3. Your cheque or bankers' draft must be made payable to "BP Share Offer". Please ensure that it is crossed and write on it "Not Negotiable". A separate cheque or bankers' draft must accompany each application.
- No receipt for your payment will be issued.
- Your cheque or bankers' draft must be drawn in sterling on an account at a bank branch in the U.K., the Channel Islands or the Isle of Man and must bear a U.K. bank sort code number in the top right hand corner.

If you do not have a cheque account, you can obtain a cheque from your building society or a bank branch, in which case you should write your full name(s) and address on the back of the cheque.

An application may be accompanied by a cheque drawn by someone other than the applicant(s), but any moneys returned will be sent by cheque crossed "Not Negotiable A/C Payee Only" in favour of the applicant(s).

- 7** **JOINT APPLICANTS**
- You may apply jointly with up to three other people, provided each applicant is aged 18 or over. They should complete and sign Box 7.
- They should read Note 5 and the declaration in Box 5 before signing this box.

BP PUBLIC APPLICATION FORM

To H M Treasury
N M Rothschild & Sons Limited

National Westminster Bank PLC
The British Petroleum Company p.l.c.

Before completing this form, please read carefully the guide above.

PLEASE USE BLOCK CAPITALS

Mr, Mrs, Miss, Ms or title: _____ Forename(s) (in full): _____

Surname: _____

Address: _____

Postcode: _____

I/We offer to purchase _____ Ordinary Shares

in BP on and subject to the Terms and Conditions set out in the Prospectus containing listing particulars dated 15th October, 1987

and I/we attach a cheque or bankers' draft for the amount now payable of £ _____

I am/We are eligible and wish to receive the share bonus ☐ Yes ☐ No

Please write "Yes" or "No" in the box

I declare that to my knowledge this is the only application made for my benefit (or that of the person(s) for whose benefit I am applying) except for any other application I am entitled to make as a shareholder on a red preferential form. I have read the warning in Note 5.

Date: _____ Signature: _____

October, 1987

Pin here your cheque/bankers' draft for the exact amount in Box 3, payable to "BP Share Offer" and crossed "Not Negotiable".

JOINT APPLICANTS

The first applicant should sign Box 5 and complete Box 1. Using BLOCK CAPITALS, insert below the names of the other joint applicants, who must sign in the right hand column.

I/We join in this application and give the declaration set out above.

Mr, Mrs, Miss, Ms or title	Forename(s) (in full)	Surname	Signature
2nd joint applicant			
3rd joint applicant			
4th joint applicant			

FOR OFFICIAL USE ONLY

Those claiming commission or remittance of commission should stamp both boxes applicable to them.

Stamp of person claiming commission and VAT reg. no.	Stamp of person claiming remittance of commission and VAT reg. no.	Stamp of person claiming commission and VAT reg. no.	Stamp of person claiming remittance of commission and VAT reg. no.
(If not registered for VAT, put "none")	(If not registered for VAT, put "none")	(If not registered for VAT, put "none")	(If not registered for VAT, put "none")
Acceptance no. _____	Acceptance no. _____	Acceptance no. _____	Acceptance no. _____
Commission calculated _____	Commission calculated _____	Commission calculated _____	Commission calculated _____

2/22/10

City leads £181m buyout at Allied Steel and Wire

By Edward Townsend
Industrial Correspondent

A significant slice of state involvement in the steel industry was sold yesterday with the £181 million takeover, largely by a group of City institutions, of the Cardiff-based Allied Steel and Wire.

The sale, partly by a management buyout, won warm approval from the Government and marks a milestone in the steel privatization plans.

ASW, one of the country's leading producers of reinforcing rods, wire and nails, was formed in 1981 as the first of the so-called Phoenix joint public and private sector companies designed to hived off the non-mainstream activities of the British Steel Corporation and eradicate duplication of output.

Mr Alan Cox, the ASW chief executive who joined the company at the outset, is to remain in the post under the chairmanship of Mr George Duncan, the chairman of Whessoe, Household Mortgage Corporation and Humberlyde Finance Group.

Mr Cox said yesterday that the company planned to seek a Stock Exchange listing "as soon as is practicable and



Aiming for a full listing within two years: Alan Cox

beneficial" and probably within two years. All employees are to be offered shares under an option scheme.

The new deal puts the private sector firmly in control of a company that has turned round from a loss of £14 million to a pretax profit of £21.4 million in five years. Much of its success is put down to decentralized management, widespread changes to working practices and technical exchange agreements with two Japanese steelmakers.

ASW Holdings, the new company formed to take on the business, said it was now "sufficiently robust to move

towards wider ownership," as had been intended from the outset by the two original owners, the BSC and GKN which each held 48 per cent.

Elkem of Norway had a 4 per cent stake in ASW following the later takeover of Manchester Steel.

Under the new ownership, the BSC will retain a 20 per cent holding and a substantial preference shareholding, and a group of 24 managers have subscribed about £700,000. GKN said it would receive £84 million in cash for its stake.

The leading institutional investors include Mercury Asset Management, Charterhouse Development Capital

and Investors in Industry. The purchase value is being met in cash from existing resources, a share issue and a medium-term loan of £85 million arranged by SG Warburg.

Mr Kenneth Clarke, Minister for Trade and Industry, said: "The purchase of shares by institutional investors demonstrates their confidence in the company and in the future of the UK steel industry." The BSC itself, now among the most profitable steelmakers in Europe, is on the list for privatization but a time-scale has yet to be drawn up.

ASW's principal products are wire rod, reinforcing bars and merchant bars and sections. Although it supplies the general engineering sector, which has been depressed, it has benefited from being a leading supplier to the construction industry.

Apart from Cardiff, where ASW has its own electric arc furnace, for steelmaking works, its operations are centred on Scunthorpe, Sheffield and Birmingham. It is a major customer for steel billet from the BSC's big integrated steelworks in Scunthorpe, a reflection of the BSC's desire to retain a 20 per cent stake.

IOD urges rail and coal selloffs

By Derek Harris, Industrial Editor

Coal, steel and the railways should be added to the Government's privatization programme, the Institute of Directors (IOD) said yesterday.

In a policy document presenting a "new agenda for Government" the IOD calls for electricity privatization to give area boards "unfettered access" to the cheapest electricity supplies whether from the Central Electricity Generating Board, the private sector or abroad.

The IOD also argues strongly that current public spending is too high and adds: "The proceeds of privatization should not be used to fund current public spending and still less to increase it."

It wants to see privatization cash used to reduce taxation or cut public borrowing. It adds: "Taxpayers have paid for these industries to be nationalized; they should now gain from these sales which give the Government the opportunity to make major reductions in the burden of tax."

A thorough review of welfare state provisions, including pensions, unemployment benefits and the National Health Service, is called for with the object of increasing the level of private provision and individual choice.

Public spending should be cut "substantially" and a drive to reduce taxes should have a

medium-term target of between 10 and 15 per cent for the basic rate of income tax. Major reform of the taxation system should be set in train to pave the way for a proportional income tax scheme under which tax could be levied across all income bands above the tax-exempt thresholds. The IOD looks for abolition of capital gains and inheritance taxes.

Sir John Hoskyns, the institute's director general, said: "The Government must now demonstrate that market mechanisms can deliver better public services than the state. Government spending must be reduced to enable taxes to be cut. People must be given greater opportunity to make their own welfare provisions

with their own money, with Government providing support only for those who genuinely cannot cope for themselves."

The IOD last month campaigned for business leaders to create a stable enterprise culture and sees its suggested programme for the Government as complementary to that.

Its policy document says: "The Government must now tackle the vast bureaucratic and inefficient remnants of the corporatist state. It must reduce the role of Government in every sphere of economic life so that tax rates fall substantially. Unless such action is taken there can be no long-term economic recovery for this country."

The document sets out four main objectives:

- Privatization. The onus must be on government or local government to show why a service should be retained within the public sector.
- Public sector efficiency must be increased. If subcontracting of services is not practical increased competition and consumer choice should be introduced.
- Wider ownership. Individual ownership and control of assets must be more widely spread.
- Deregulation. State interference should be reduced because excessive regulation adds to public expenditure and private sector costs by increasing unproductive overheads and reducing competition.

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In addition to producing the income shown below your original investment of £10,000 would have increased to £25,579 by April 1987.

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Income produced from £10,000 invested in April 1982 ending in 1987 of your capital per annum.

Average Monthly Income - April - April				
1982/3	1983/4	1984/5	1985/6	1986/7
£39.32	£108.91	£152.78	£181.86	£197.37

* Assume your Capital Gains Tax allowance of £8000 is not exceeded. All figures are based on an average annual growth rate achieved, including reinvestment of dividends, and on an offer to bid bonds. In certain circumstances this may result in a depreciation in capital as it is based on the selling of units within an investor's holding, and it should be remembered that past performance cannot necessarily be taken as a guide to the future as unit values can fall as well as rise.

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Soup-maker builds £12m factory to launch project

Campbell's frozen food foray

By Derek Harris, Industrial Editor

Campbell's UK, best known in Britain for its soups, is about to mount a £2 million niche-marketing foray into an up-market sector of frozen meals and snacks as its £12 million factory at Salford's disused docks starts operating.

The attack is on the British market and the promotional spending is largely on a television campaign to bring home the diversification move into non-canned foods.

The eventual aim, however, is to sell a third of production into the main markets in the rest of Europe. Campbell's also has the option at the new factory to move into chilled foods.

The company already has extensive food interests in the rest of Europe but frozen food operations will be concentrated in Britain.

The nearest Campbell's has come to the main meals market in Britain until now has been meatballs in cans and "main course" soups.

The Salford plant will initially be turning out a frozen range of vegetables and seafood in flaky pastry cases for oven baking and another range designed primarily for microwave ovens.

There are frozen soups, barbecue meats and hamburgers in buns. The buns proved the biggest technological difficulty in achieving cooking compatibility with microwave ovens and it was Campbell's research in Britain that solved the problem. Microwaved buns usually turned out biscuit-hard or soggy, depending on the type of flour used.



John Jesky: diversifying

foods is seen as crucial by Mr John Jesky, deputy managing director of Campbell's UK, as about 30 per cent of homes now have a microwave, with an even higher penetration in the South of England.

Mr Jesky said: "With both microwave and baked ranges, we are attacking gaps in the market. I see these products mostly being used as snack meals, such as at Saturday lunchtime."

This move will keep Campbell's away from the big-volume frozen food sectors, where margins have been notoriously slim and competition strong.

The push into the non-canned food lines in Britain has followed similar strategies by Campbell's in prime markets like the United States. But the latest products have been developed specifically for the British market.

The oven-bake range of pastry-cased foods has been popular in test-marketing in Britain while sales of similar lines in the US proved disappointing.

Lloyd's brokers team up to insure themselves

By Alison Eadie

Thirty-five small and medium-sized Lloyd's brokers are planning to join a mutual insurance company to insure their own errors and omissions (E&O).

The company, to be called The Griffin, is at present compiling its reinsurance programme, which should be completed by early next year. The move to set up a

mutual was spurred last year by the ever-rising costs and contracting cover of E&O insurance offered to brokers by the conventional insurance market.

Small and medium-sized Lloyd's brokers feel particularly penalized because Lloyd's insists that all brokers buy E&O insurance cover worth six times their brokerage income up to a maximum of £20 million. The

bigger brokers therefore have to buy proportionately less cover.

Several brokers also believe underwriters have failed to differentiate between the claims experience of brokers, charging the same rate to those with no or few claims as those with large claims.

The Griffin will offer cover up to £20 million per broker. The cost of the premiums will initially be the same for the

mutual as in the market, but the benefits should flow after a few years when members of the mutual will receive a dividend if the claims experience is low.

Tindall Riley, the manager of mutuals and adviser to The Griffin, has been working with the participating brokers over the past few months to try to lower the incidence of claims through quality control of the brokers' systems.

Santander Group rises by 19%

The net income of the Santander Group during the first nine months of 1987 reached 19.7 billion pesetas (£101 million), a 19 per cent increase over the comparable period in 1986. Cash-flow of the group to September amounted to 69.7 billion pesetas.

The parent bank, Banco Santander, reported a net income of 16.7 billion pesetas, an increase of 35 per cent. An interim dividend of 45 pesetas will be paid on October 31. Profitability ratios increased during the period. Average total assets of the Santander Group during the first nine months of the year were 2,840 billion pesetas.

USM placing

Jacobson Townsley and Co is placing 20 million ordinary shares on the Unlisted Securities Market at 20p each in Tabular Exhibition Group to raise about £1.5 million. The company's market capitalization at the placing price is £9.12 million. Tabular designs, manufactures and hires out barriers and guard rails. It also constructs and erects steel structures, supplies temporary seating and hires out and erects entertainment chalets for exhibitions and shows. A total of 12.5 million ordinary shares are being placed on behalf of certain former shareholders and 7.5 million on behalf of the company, representing a total of 43.82 per cent of the company's enlarged share capital.

Ash & Lacy

Ash & Lacy has acquired Lamben Galvanizers (85) of Mitcham, Surrey, for £71,000. Loans and overdrafts amount-

ing to about £125,000 have been repaid, making a total investment of about £200,000. Lamben's name has been changed to Surrey Galvanizers and it will be operated by Joseph Ash, the group's galvanizing company, in conjunction with Joseph Ash's other London operation, London Galvanizers of Poplar.

Lasmo deal

An agreement in principle has been reached for Onyx Petroleum Exploration to acquire Lasmo Exploration (Canada), a wholly-owned subsidiary of London and Scottish Marine Oil. On completion, Onyx will be renamed Lasmo Canada. The merged company will have proven and probable reserves of 9.5 million barrels of oil and 20.9 billion cubic feet of gas. Combined daily production levels of 4,000 barrels of oil and 3.7 million cubic feet of gas per day will be realized.

Bertrams Trust

Bertrams Investment Trust is paying a final dividend of 1.1p, making 2.1p for the year to September 30. Pretax revenue jumped to £92,844 (£38,757). Earnings per share were 2.25p (1.04p).

New Cavendish

The directors of New Cavendish Estates have been informed that Noro-Buckfield NV has purchased from Collins its 52.37 per cent interest in New Cavendish at a price equivalent to 175p per share and that Manchester Exchange Trust, on behalf of Noro-Buckfield, will be making an offer to the remaining shareholders of NCE in compliance with Rule 9 of the City Code. The directors of NCE will be writing to shareholders to advise them of the action which they should take.

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Class II (Div 8): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 9): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 10): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 11): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 12): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 13): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 14): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 15): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 16): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 17): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 18): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 19): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 20): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 21): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 22): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 23): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 24): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 25): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 26): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 27): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 28): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 29): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 30): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 31): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 32): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 33): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 34): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 35): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 36): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 37): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 38): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 39): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 40): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L. Martin, J. L. M. Smith, J. M. T. Smith, J. N. T. Smith, J. O. T. Smith, J. P. T. Smith, J. Q. T. Smith, J. R. T. Smith, J. S. T. Smith, J. T. T. Smith, J. U. T. Smith, J. V. T. Smith, J. W. T. Smith, J. X. T. Smith, J. Y. T. Smith, J. Z. T. Smith.

Class II (Div 41): A. H. Agnew, O. P. Smith, C. P. Bell, C. E. Carr, R. C. Crook, M. G. Davies, J. E. Evans, J. G. F. Fraser, J. H. G. Jones, J. K. L

[illegible]

UNLISTED SECURITIES

[illegible]

FOREIGN EXCHANGES

Sterling index compared with 1975 was same at 73.4 (day's range 73.4-73.5).

STERLING SPOT AND FORWARD RATES

Market rates for October 22			
Range	Close	1 month	3 month
1.8490-1.8610	1.8520-1.8530	0.96-0.943p	0.92-0.77p
Moscow	2.1857-2.1867	0.94-0.93p	0.92-0.77p
New York	1.8580-1.8590	0.94-0.93p	0.92-0.77p
1.8540-1.8550	1.8540-1.8550	0.94-0.93p	0.92-0.77p
1.8560-1.8570	1.8560-1.8570	0.94-0.93p	0.92-0.77p
1.8580-1.8590	1.8580-1.8590	0.94-0.93p	0.92-0.77p
1.8600-1.8610	1.8600-1.8610	0.94-0.93p	0.92-0.77p
1.8620-1.8630	1.8620-1.8630	0.94-0.93p	0.92-0.77p
1.8640-1.8650	1.8640-1.8650	0.94-0.93p	0.92-0.77p
1.8660-1.8670	1.8660-1.8670	0.94-0.93p	0.92-0.77p
1.8680-1.8690	1.8680-1.8690	0.94-0.93p	0.92-0.77p
1.8700-1.8710	1.8700-1.8710	0.94-0.93p	0.92-0.77p
1.8720-1.8730	1.8720-1.8730	0.94-0.93p	0.92-0.77p
1.8740-1.8750	1.8740-1.8750	0.94-0.93p	0.92-0.77p
1.8760-1.8770	1.8760-1.8770	0.94-0.93p	0.92-0.77p
1.8780-1.8790	1.8780-1.8790	0.94-0.93p	0.92-0.77p
1.8800-1.8810	1.8800-1.8810	0.94-0.93p	0.92-0.77p
1.8820-1.8830	1.8820-1.8830	0.94-0.93p	0.92-0.77p
1.8840-1.8850	1.8840-1.8850	0.94-0.93p	0.92-0.77p
1.8860-1.8870	1.8860-1.8870	0.94-0.93p	0.92-0.77p
1.8880-1.8890	1.8880-1.8890	0.94-0.93p	0.92-0.77p
1.8900-1.8910	1.8900-1.8910	0.94-0.93p	0.92-0.77p
1.8920-1.8930	1.8920-1.8930	0.94-0.93p	0.92-0.77p
1.8940-1.8950	1.8940-1.8950	0.94-0.93p	0.92-0.77p
1.8960-1.8970	1.8960-1.8970	0.94-0.93p	0.92-0.77p
1.8980-1.8990	1.8980-1.8990	0.94-0.93p	0.92-0.77p
1.9000-1.9010	1.9000-1.9010	0.94-0.93p	0.92-0.77p
1.9020-1.9030	1.9020-1.9030	0.94-0.93p	0.92-0.77p
1.9040-1.9050	1.9040-1.9050	0.94-0.93p	0.92-0.77p
1.9060-1.9070	1.9060-1.9070	0.94-0.93p	0.92-0.77p
1.9080-1.9090	1.9080-1.9090	0.94-0.93p	0.92-0.77p
1.9100-1.9110	1.9100-1.9110	0.94-0.93p	0.92-0.77p
1.9120-1.9130	1.9120-1.9130	0.94-0.93p	0.92-0.77p
1.9140-1.9150	1.9140-1.9150	0.94-0.93p	0.92-0.77p
1.9160-1.9170	1.9160-1.9170	0.94-0.93p	0.92-0.77p
1.9180-1.9190	1.9180-1.9190	0.94-0.93p	0.92-0.77p
1.9200-1.9210	1.9200-1.9210	0.94-0.93p	0.92-0.77p
1.9220-1.9230	1.9220-1.9230	0.94-0.93p	0.92-0.77p
1.9240-1.9250	1.9240-1.9250	0.94-0.93p	0.92-0.77p
1.9260-1.9270	1.9260-1.9270	0.94-0.93p	0.92-0.77p
1.9280-1.9290	1.9280-1.9290	0.94-0.93p	0.92-0.77p
1.9300-1.9310	1.9300-1.9310	0.94-0.93p	0.92-0.77p
1.9320-1.9330	1.9320-1.9330	0.94-0.93p	0.92-0.77p
1.9340-1.9350	1.9340-1.9350	0.94-0.93p	0.92-0.77p
1.9360-1.9370	1.9360-1.9370	0.94-0.93p	0.92-0.77p
1.9380-1.9390	1.9380-1.9390	0.94-0.93p	0.92-0.77p
1.9400-1.9410	1.9400-1.9410	0.94-0.93p	0.92-0.77p
1.9420-1.9430	1.9420-1.9430	0.94-0.93p	0.92-0.77p
1.9440-1.9450	1.9440-1.9450	0.94-0.93p	0.92-0.77p
1.9460-1.9470	1.9460-1.9470	0.94-0.93p	0.92-0.77p
1.9480-1.9490	1.9480-1.9490	0.94-0.93p	0.92-0.77p
1.9500-1.9510	1.9500-1.9510	0.94-0.93p	0.92-0.77p
1.9520-1.9530	1.9520-1.9530	0.94-0.93p	0.92-0.77p
1.9540-1.9550	1.9540-1.9550	0.94-0.93p	0.92-0.77p
1.9560-1.9570	1.9560-1.9570	0.94-0.93p	0.92-0.77p
1.9580-1.9590	1.9580-1.9590	0.94-0.93p	0.92-0.77p
1.9600-1.9610	1.9600-1.9610	0.94-0.93p	0.92-0.77p
1.9620-1.9630	1.9620-1.9630	0.94-0.93p	0.92-0.77p
1.9640-1.9650	1.9640-1.9650	0.94-0.93p	0.92-0.77p
1.9660-1.9670	1.9660-1.9670	0.94-0.93p	0.92-0.77p
1.9680-1.9690	1.9680-1.9690	0.94-0.93p	0.92-0.77p
1.9700-1.9710	1.9700-1.9710	0.94-0.93p	0.92-0.77p
1.9720-1.9730	1.9720-1.9730	0.94-0.93p	0.92-0.77p
1.9740-1.9750	1.9740-1.9750	0.94-0.93p	0.92-0.77p
1.9760-1.9770	1.9760-1.9770	0.94-0.93p	0.92-0.77p
1.9780-1.9790	1.9780-1.9790	0.94-0.93p	0.92-0.77p
1.9800-1.9810	1.9800-1.9810	0.94-0.93p	0.92-0.77p
1.9820-1.9830	1.9820-1.9830	0.94-0.93p	0.92-0.77p
1.9840-1.9850	1.9840-1.9850	0.94-0.93p	0.92-0.77p
1.9860-1.9870	1.9860-1.9870	0.94-0.93p	0.92-0.77p
1.9880-1.9890	1.9880-1.9890	0.94-0.93p	0.92-0.77p
1.9900-1.9910	1.9900-1.9910	0.94-0.93p	0.92-0.77p
1.9920-1.9930	1.9920-1.9930	0.94-0.93p	0.92-0.77p
1.9940-1.9950	1.9940-1.9950	0.94-0.93p	0.92-0.77p
1.9960-1.9970	1.9960-1.9970	0.94-0.93p	0.92-0.77p
1.9980-1.9990	1.9980-1.9990	0.94-0.93p	0.92-0.77p
2.0000-2.0010	2.0000-2.0010	0.94-0.93p	0.92-0.77p
2.0020-2.0030	2.0020-2.0030	0.94-0.93p	0.92-0.77p
2.0040-2.0050	2.0040-2.0050	0.94-0.93p	0.92-0.77p
2.0060-2.0070	2.0060-2.0070	0.94-0.93p	0.92-0.77p
2.0080-2.0090	2.0080-2.0090	0.94-0.93p	0.92-0.77p
2.0100-2.0110	2.0100-2.0110	0.94-0.93p	0.92-0.77p
2.0120-2.0130	2.0120-2.0130	0.94-0.93p	0.92-0.77p
2.0140-2.0150	2.0140-2.0150	0.94-0.93p	0.92-0.77p
2.0160-2.0170	2.0160-2.0170	0.94-0.93p	0.92-0.77p
2.0180-2.0190	2.0180-2.0190	0.94-0.93p	0.92-0.77p
2.0200-2.0210	2.0200-2.0210	0.94-0.93p	0.92-0.77p
2.0220-2.0230	2.0220-2.0230	0.94-0.93p	0.92-0.77p
2.0240-2.0250	2.0240-2.0250	0.94-0.93p	0.92-0.77p
2.0260-2.0270	2.0260-2.0270	0.94-0.93p	0.92-0.77p
2.0280-2.0290	2.0280-2.0290	0.94-0.93p	0.92-0.77p
2.0300-2.0310	2.0300-2.0310	0.94-0.93p	0.92-0.77p
2.0320-2.0330	2.0320-2.0330	0.94-0.93p	0.92-0.77p
2.0340-2.0350	2.0340-2.0350	0.94-0.93p	0.92-0.77p
2.0360-2.0370	2.0360-2.0370	0.94-0.93p	0.92-0.77p
2.0380-2.0390	2.0380-2.0390	0.94-0.93p	0.92-0.77p
2.0400-2.0410	2.0400-2.0410	0.94-0.93p	0.92-0.77p
2.0420-2.0430	2.0420-2.0430	0.94-0.93p	0.92-0.77p
2.0440-2.0450	2.0440-2.0450	0.94-0.93p	0.92-0.77p
2.0460-2.0470	2.0460-2.0470	0.94-0.93p	0.92-0.77p
2.0480-2.0490	2.0480-2.0490	0.94-0.93p	0.92-0.77p
2.0500-2.0510	2.0500-2.0510	0.94-0.93p	0.92-0.77p
2.0520-2.0530	2.0520-2.0530	0.94-0.93p	0.92-0.77p
2.0540-2.0550	2.0540-2.0550	0.94-0.93p	0.92-0.77p
2.0560-2.0570	2.0560-2.0570	0.94-0.93p	0.92-0.77p
2.0580-2.0590	2.0580-2.0590	0.94-0.93p	0.92-0.77p
2.0600-2.0610	2.0600-2.0610	0.94-0.93p	0.92-0.77p
2.0620-2.0630	2.0620-2.0630	0.94-0.93p	0.92-0.77p
2.0640-2.0650	2.0640-2.0650	0.94-0.93p	0.92-0.77p
2.0660-2.0670	2.0660-2.0670	0.94-0.93p	0.92-0.77p
2.0680-2.0690	2.0680-2.0690	0.94-0.93p	0.92-0.77p
2.0700-2.0710	2.0700-2.0710	0.94-0.93p	0.92-0.77p
2.0720-2.0730	2.0720-2.0730	0.94-0.93p	0.92-0.77p
2.0740-2.0750	2.0740-2.0750	0.94-0.93p	0.92-0.77p
2.0760-2.0770	2.0760-2.0770	0.94-0.93p	0.92-0.77p
2.0780-2.0790	2.0780-2.0790	0.94-0.93p	0.92-0.77p
2.0800-2.0810	2.0800-2.0810	0.94-0.93p	0.92-0.77p
2.0820-2.0830	2.0820-2.0830	0.94-0.93p	0.92-0.77p
2.0840-2.0850	2.0840-2.0850	0.94-0.93p	0.92-0.77p
2.0860-2.0870	2.0860-2.0870	0.94-0.93p	0.92-0.77p
2.0880-2.0890	2.0880-2.0890	0.94-0.93p	0.92-0.77p
2.0900-2.0910	2.0900-2.0910	0.94-0.93p	0.92-0.77p
2.0920-2.0930	2.0920-2.0930	0.94-0.93p	0.92-0.77p
2.0940-2.0950	2.0940-2.0950	0.94-0.93p	0.92-0.77p
2.0960-2.0970	2.0960-2.0970	0.94-0.93p	0.92-0.77p
2.0980-2.0990	2.0980-2.0990	0.94-0.93p	0.92-0.77p
2.1000-2.1010	2.1000-2.1010	0.94-0.93p	0.92-0.77p
2.1020-2.1030	2.1020-2.1030	0.94-0.93p	0.92-0.77p
2.1040-2.1050	2.1040-2.1050	0.94-0.93p	0.92-0.77p
2.1060-2.1070	2.1060-2.1070	0.94-0.93p	0.92-0.77p
2.1080-2.1090	2.1080-2.1090	0.94-0.93p	0.92-0.77p
2.1100-2.1110	2.1100-2.1110	0.94-0.93p	0.92-0.77p
2.1120-2.1130	2.1120-2.1130	0.94-0.93p	0.92-0.77p
2.1140-2.1150	2.1140-2.1150	0.94-0.93p	0.92-0.77p
2.1160-2.1170	2.1160-2.1170	0.94-0.93p	0.92-0.77p
2.1180-2.1190	2.1180-2.1190	0.94-0.93p	0.92-0.77p
2.1200-2.1210	2.1200-2.1210	0.94-0.93p	0.92-0.77p
2.1220-2.1230	2.1220-2.1230	0.94-0.93p	0.92-0.77p
2.1240-2.1250	2.1240-2.1250	0.94-0.93p	0.92-0.77p
2.1260-2.1270	2.1260-2.1270	0.94-0.93p	0.92-0.77p
2.1280-2.1290	2.1280-2.1290	0.94-0.93p	0.92-0.77p
2.1300-2.1310	2.1300-2.1310	0.94-0.93p	0.92-0.77p
2.1320-2.1330	2.1320-2.1330	0.94-0.93p	0.92-0.77p
2.1340-2.1350	2.1340-2.1350	0.94-0.93p	0.92-0.77p
2.1360-2.1370	2.1360-2.1370	0.94-0.93p	0.92-0.77p
2.1380-2.1390	2.1380-2.1390	0.94-0.93p	0.92-0.77p
2.1400-2.1410	2.1400-2.1410	0.94-0.93p	0.92-0.77p
2.1420-2.1430	2.1420-2.1430	0.94-0.93p	0.92-0.77p
2.1440-2.1450	2.1440-2.1450	0.94-0.93p	0.92-0.77p
2.1460-2.1470	2.1460-2.1470	0.94-0.93p	0.92-0.77p
2.1480-2.1490	2.1480-2.1490	0.94-0.93p	0.92-0.77p
2.1500-2.1510	2.1500-2.1510	0.94-0.93p	0.92-0.77p
2.1520-2.1530	2.1520-2.1530	0.94-0.93p	0.92-0.77p
2.1540-2.1550	2.1540-2.1550	0.94-0.93p	0.92-0.77p
2.1560-2.1570	2.1560-2.1570	0.94-0.93p	0.92-0.77p
2.1580-2.1590	2.1580-2.1590	0.94-0.93p	0.92-0.77p
2.1600-2.1610	2.1600-2.1610	0.94-0.93p	0.92-0.77p
2.1620-2.1630	2.1620-2.1630	0.94-0.93p	0.92-0.77p
2.1640-2.1650	2.1640-2.1650	0.94-0.93p	0.92-0.77p
2.1660-2.1670	2.1660-2.1670	0.94-0.93p	0.92-0.77p
2.1680-2.1690	2.1680-2.1690	0.94-0.93p	0.92-0.77p
2.1700-2.1710	2.1700-2.1710	0.94-0.93p	0.92-0.77p
2.1720-2.1730	2.1720-2.1730	0.94-0.93p	0.92-0.77p
2.1740-2.1750	2.1740-2.1750	0.94-0.93p	0.92-0.77p
2.1760-2.1770	2.1760-2.1770	0.94-0.93p	0.92-0.77p
2.1780-2.1790	2.1780-2.1790	0.94-0.93p	0.92-0.77p
2.1800-2.1810	2.1800-2.1810	0.94-0.93p	0.92-0.77p
2.1820-2.1830	2.1820-2.1830	0.94-0.93p	0.92-0.77p
2.1840-2.1850	2.1840-2.1850	0.94-0.93p	0.92-0.77p
2.1860-2.1870	2.1860-2.1870	0.94-0.93p	0.92-0.77p
2.1880-2.1890	2.1880-2.1890	0.94-0.93p	0.92-0.77p
2.1900-2.1910	2.1900-2.1910	0.94-0.93p	0.92-0.77p
2.1920-2.1930	2.1920-2.1930	0.94-0.93p	0.92-0.77p
2.1940-2.1950	2.1940-2.1950	0.94-0.93p	0.92-0.77p
2.1960-2.1970	2.1960-2.1970	0.94-0.93p	0.92-0.77p
2.1980-2.1990	2.1980-2.1990	0.94-0.93p	0.92-0.77p
2.2000-2.2010	2.2000-2.2010		

DOLLAR SPOT RATES

Ireland	1.4840-1.4870	Denmark	6.9225-6.9275	Italy	1302.8-1308.60
Singapore	2.0825-2.0835	W Germany	1.8050-1.8070	Belgium (Com)	37.80-37.81
Malaysia	2.5240-2.5250	Switzerland	1.4976-1.4980	Hong Kong	7.6190-7.6140
Australia	0.7165-0.7170	Netherlands	2.0300-2.0310	Portugal	143.00-143.40
Canada	1.3155-1.3165	France	0.0250-0.0300	Spain	116.70-116.80
Sweden	6.3925-6.3975	Japan	143.95-143.95	Austria	12.72-12.74
Norway	6.8150-6.8200				

Reates supplied by Barclays Bank HOFEX and Ecol.

MONEY MARKETS

Base Rates %: Clearing Banks 10 Finance Hse 10%	Dollar CDs (%)
Discount Market Loans %	1 mth: 7.25-7.25
Overnight 1 mth: 10.1 and 6 1/2 Week Bank 2 1/2	3 mth: 7.70-7.65
	6 mth: 7.85-7.80

EURO MONEY DEPOSITS %

Selling: 2 min: 9% 3 min: 9% 10 min: 10% 15 min: 10% 20 min: 10% 30 min: 10% 1 hr: 10% 2 hr: 10% 3 hr: 10% 6 hr: 10% 1 day: 10% 2 days: 10% 3 days: 10% 1 week: 10% 2 weeks: 10% 3 weeks: 10% 1 month: 10% 2 months: 10% 3 months: 10% 6 months: 10% 1 year: 10% 2 years: 10% 3 years: 10% 4 years: 10% 5 years: 10% 6 years: 10% 7 years: 10% 8 years: 10% 9 years: 10% 10 years: 10% 11 years: 10% 12 years: 10%	Currency: 7 day: 1% 1 month: 1% 3 month: 1% 6 month: 1% 1 year: 1% 2 year: 1% 3 year: 1% 4 year: 1% 5 year: 1% 6 year: 1% 7 year: 1% 8 year: 1% 9 year: 1% 10 year: 1% 11 year: 1% 12 year: 1% 13 year: 1% 14 year: 1% 15 year: 1% 16 year: 1% 17 year: 1% 18 year: 1% 19 year: 1% 20 year: 1% 21 year: 1% 22 year: 1% 23 year: 1% 24 year: 1% 25 year: 1% 26 year: 1% 27 year: 1% 28 year: 1% 29 year: 1% 30 year: 1% 31 year: 1% 32 year: 1% 33 year: 1% 34 year: 1% 35 year: 1% 36 year: 1% 37 year: 1% 38 year: 1% 39 year: 1% 40 year: 1% 41 year: 1% 42 year: 1% 43 year: 1% 44 year: 1% 45 year: 1% 46 year: 1% 47 year: 1% 48 year: 1% 49 year: 1% 50 year: 1% 51 year: 1% 52 year: 1% 53 year: 1% 54 year: 1% 55 year: 1% 56 year: 1% 57 year: 1% 58 year: 1% 59 year: 1% 60 year: 1% 61 year: 1% 62 year: 1% 63 year: 1% 64 year: 1% 65 year: 1% 66 year: 1% 67 year: 1% 68 year: 1% 69 year: 1% 70 year: 1% 71 year: 1% 72 year: 1% 73 year: 1% 74 year: 1% 75 year: 1% 76 year: 1% 77 year: 1% 78 year: 1% 79 year: 1% 80 year: 1% 81 year: 1% 82 year: 1% 83 year: 1% 84 year: 1% 85 year: 1% 86 year: 1% 87 year: 1% 88 year: 1% 89 year: 1% 90 year: 1% 91 year: 1% 92 year: 1% 93 year: 1% 94 year: 1% 95 year: 1% 96 year: 1% 97 year: 1% 98 year: 1% 99 year: 1% 100 year: 1%
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Rate	Fixed Rate
10% - 9%	

6 mth: 10%-10% 9 mth: 10¹/₂-10¹/₂% 12 mth: 10%-10%
Sterling Cds (%)
1 mth: 8¹/₂-9¹/₂% 3 mth: 10¹/₂-9¹/₂% 6 mth: 10¹/₂-10%
12 mth: 10%-10¹/₂%

INVESTMENT TRUSTS

1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	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GOLD

BULLION:
Open: \$488.00-468.50 Close: \$471.25-471.75
High: \$475.75-476.50 Low: \$468.00-468.50

COMES: Per coin ("Ex VAT")
Electric: \$485.00-490.00 (2283.00-2285.50)
Kopecknik: \$470.00-473.50 (2294.25-2295.25)
Majapahit (11oz): \$485.00-490.00 (2283.00-2285.50)
American Eagle: \$485.00-490.00 (2283.00-2285.50)
New Sovereigns: \$111.00-112.00 (257.00-267.75)
Old Sovereigns: \$111.00-112.50 (257.00-268.00)
Palmgren: \$577.00 (2347.70)
Salmela: \$152.00 (2375.00)
Silver: \$7.45-7.52 (\$2,530-4,350)

COMMODITIES

KIOB-AIR Group			LONDON FOW			LONDON METAL EXCHANGE		
The rash of physical deals yesterday put some confidence back in the crude markets, and renewed market activity in the Gulf reinforced the view. The price of oil is now back in the range of it's support resistance range. Most products firmed in very light activity.			COCOA Dec 1148-181 Jan 1148-181 Mar 1148-181 May 1221-221 Jul 1243-242			Official prices of futures previous day		
CRUDE OIL (continued) (FEB. FOW)			G W Wagon Dec 1253-252 Jan 1253-252 Mar 1253-252 May 1253-252 Jul 1253-252			3 months 1200.0-1220.0 1170.0-1180.0 1095.0-1105.0 1085.0-1095.0 1075.0-1085.0 1065.0-1075.0 1055.0-1065.0 1045.0-1055.0 1035.0-1045.0 1025.0-1035.0 1015.0-1025.0 1005.0-1015.0 995.0-1005.0 985.0-995.0 975.0-985.0 965.0-975.0 955.0-965.0 945.0-955.0 935.0-945.0 925.0-935.0 915.0-925.0 905.0-915.0 895.0-905.0 885.0-895.0 875.0-885.0 865.0-875.0 855.0-865.0 845.0-855.0 835.0-845.0 825.0-835.0 815.0-825.0 805.0-815.0 795.0-805.0 785.0-795.0 775.0-785.0 765.0-775.0 755.0-765.0 745.0-755.0 735.0-745.0 725.0-735.0 715.0-725.0 705.0-715.0 695.0-705.0 685.0-695.0 675.0-685.0 665.0-675.0 655.0-665.0 645.0-655.0 635.0-645.0 625.0-635.0 615.0-625.0 605.0-615.0 595.0-605.0 585.0-595.0 575.0-585.0 565.0-575.0 555.0-565.0 545.0-555.0 535.0-545.0 525.0-535.0 515.0-525.0 505.0-515.0 495.0-505.0 485.0-495.0 475.0-485.0 465.0-475.0 455.0-465.0 445.0-455.0 435.0-445.0 425.0-435.0 415.0-425.0 405.0-415.0 395.0-405.0 385.0-395.0 375.0-385.0 365.0-375.0 355.0-365.0 345.0-355.0 335.0-345.0 325.0-335.0 315.0-325.0 305.0-315.0 295.0-305.0 285.0-295.0 275.0-285.0 265.0-275.0 255.0-265.0 245.0-255.0 235.0-245.0 225.0-235.0 215.0-225.0 205.0-215.0 195.0-205.0 185.0-195.0 175.0-185.0 165.0-175.0 155.0-165.0 145.0-155.0 135.0-145.0 125.0-135.0 115.0-125.0 105.0-115.0 95.0-105.0 85.0-95.0 75.0-85.0 65.0-75.0 55.0-65.0 45.0-55.0 35.0-45.0 25.0-35.0 15.0-25.0 5.0-15.0 0.0-5.0 -5.0-0.0 -10.0-0.0 -15.0-0.0 -20.0-0.0 -25.0-0.0 -30.0-0.0 -35.0-0.0 -40.0-0.0 -45.0-0.0 -50.0-0.0 -55.0-0.0 -60.0-0.0 -65.0-0.0 -70.0-0.0 -75.0-0.0 -80.0-0.0 -85.0-0.0 -90.0-0.0 -95.0-0.0 -100.0-0.0 -105.0-0.0 -110.0-0.0 -115.0-0.0 -120.0-0.0 -125.0-0.0 -130.0-0.0 -135.0-0.0 -140.0-0.0 -145.0-0.0 -150.0-0.0 -155.0-0.0 -160.0-0.0 -165.0-0.0 -170.0-0.0 -175.0-0.0 -180.0-0.0 -185.0-0.0 -190.0-0.0 -195.0-0.0 -200.0-0.0 -205.0-0.0 -210.0-0.0 -215.0-0.0 -220.0-0.0 -225.0-0.0 -230.0-0.0 -235.0-0.0 -240.0-0.0 -245.0-0.0 -250.0-0.0 -255.0-0.0 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صبرنا من الازل

Anna, first with the news



The design exhibition at the Royal College of Art charts nearly 200 years of the changing styles at WH Smith

The WH Smith company is nearly 200 years old. It was born in 1792 when H. W. Smith set up a small news-vendor's business with his wife, Anna, in London's Mayfair. He died shortly afterwards, and it was Anna who built up the business and made it prosper, while rearing two sons, Henry Edward and William Henry.

William eventually took over, reversing the initials, and by 1828 WH Smith was on the way to becoming a household name.

Being "first with the news" was an early achievement, backed by efficient transport — initially horse-drawn mail and stage coaches. Next came the railways, with the first WH Smith bookstall opening at Euston station on November 1, 1848.

In 1905 a dispute over rents with the London North Western Railway and the Great Western Railway companies led to conflict and the station bookstalls closed. But between October 18, 1905, and January 1, 1906, they were replaced by 144 new shops opened on railway "territory" such as station approaches.

The company's sign in cream lettering on a green background was popular. The lettering was by Eric Gill, who in 1931 created a glittering map celebrating all WH Smith

branches in England and Wales. Gill was also designed the fascia on the tearooms of the Paris shop.

In 1905-6 two more long-lived features were introduced: the egg-shaped WHS logo, designed by R. P. Gosop, which was among the earliest of corporate logos, and the newsboy selling his wares, designed by Septimus E. Scott. The newsboy was often to be seen in a red-enamelled sign on shop fronts.

Fortunately, in 1893, Harry St John Hornby had joined the firm and brought with him a lifelong concern with craftsmanship which he used to develop the firm's new image. At his Ashendene Press, he produced classical volumes in designs which won him the claim to be among "the greatest artist-craftsmen of the renaissance of English printing."

Frank Bayliss, who rose to head the expanding estates department, had the task of implementing the "look". Shops with oak fronts and fittings, some with tile panels and ornate glass windows, endured for half a century.

A few remnants are left — as in the shop in Newtown, Powys, which was refurbished in 1975 for Architectural Heritage Year. The brick and wooden-framed exterior incorporates uncovered decorative tiles. The name W. H.



Sign of the old times: a typical shop at the turn of the century Smith & Son is gold-leafed and lanterns were copied from the originals. Inside, restored university shields are set around the walls and the oak staircase leads to a museum. There is a scale model of a similar shop in the 1920s, when most had tiled fascias, bow windows and beautiful interiors with oak fittings.

For visitors looking for historic designs, there is a stained and painted window which used to grace the library of the Worcester branch (typically such windows portrayed locals' coats of arms and literary figures).

A handcart stands near the last of the delivery bicycles. A life-sized model of a 1930 newsboy is complete with peaked cap, leather money bag and wicker basket.

The shop at Winchester,

Hampshire, was rebuilt in 1927 with local stone. Plaster decorations were incorporated, such as a scene from King Arthur and the Knights at the Round Table.

Leeds had a delightfully panelled library in the 1920s, and in the next decade a splendidly-fitted shop opened on the liner the Queen Mary.

Apart from the museum, which is open shop hours with entrance free, background is supplied in a comprehensive history of WH Smith called *First With The News*, by Charles Wilson (Jonathan Cape, 1985) and in the current exhibition, *Success by Design*, at the Royal College of Art from October 26 to November 13, Monday to Saturday 9.30am to 5pm, entrance free.

Ann Hills

The hub of an empire where elegance reigns

WH Smith made a bold architectural decision in 1935, commissioning Ellis and Clarke to create Bridge House in Lambeth, London, to accommodate the stationery and binding departments.

The building has been compared to the Hoover headquarters at Perivale, west London, as a classic of its era, writes Ann Hills.

In the 1970s, Strand House in New Fetter Lane became the new headquarters.

This 11-storey hexagonal building by Casson Condon won a Civic Trust award. But expansion entailed further moves, and the new corporate head office for the WH Smith Group is in Holborn Place, off Sloane Square.

This was ready-made accommodation, but the attractive structure has been given the company treatment inside using, for example, natural maple and sycamore wood for the reception desk, doors and conference tables.

The air is simple with well-chosen works of art offsetting natural materials and simple lines.

Eighty miles to the west, a trio of purposeful male noses by Dame Elisabeth Frink are heading towards the entrance of WH Smith's most exciting new building, the retail headquarters at Swindon, Wiltshire, created by Alvin and Burton Koralek (ABK).

The building has been shortlisted for the *Financial Times* Architecture at Work Award and the Royal Institute of British Architects' Architecture Award.

This headquarters is linked with a new corridor to the 1967 warehouse, where a trio of giant, shell-like spans hark back to the boom era of railway stations. Twenty years on, the warehouse still fulfils its function admirably, with huge quantities of pens, paper, games and books to a fleet of vans which are awaiting a new design to replace the former orange and brown colouring.

Peter Clapp, design manager, and a professional archi-

tect, is clearly thrilled by the ABK achievement — low-energy use and flexible offices with grey, white and blue tones and decorated with plants and tapestries.

Forticrete blockwork is used with vitreous-enamelled steel cladding, and visitors enter a circular reception area where a series of white, bordered banners by Sally Freshwater hang from the ceiling above the simple reception desk.

The offices are reached through reception areas which have circular skylights, like ships' portholes.

In the modular, open-plan offices, Herman Miller furniture with soft-textured screens, is arranged in a series of work places offering various degrees of privacy.

Private offices can, if necessary, be dismantled and

Retail HQ is in line for awards

glazed partition walls have been put up with vertical louvre blinds.

Blue solar blinds, fixed externally, automatically descend when the light becomes strong, avoiding glare (especially important with computer screens). Windows are opened on pivots; research has shown that staff dislike air conditioning.

The restaurant in the older building has been refurbished with grey carpet and columns in mid-blue and ash trim, adjoining a lounge with picture windows which look out on the grassy entrance.

Planting in courtyards is by James Hope who chose geometric grass mounds, pebbles and creepers climbing up concrete columns to enhance the sense of calm and the contrast of textures.

The local Swindon WH Smith is in the throes of refurbishment.

Rebuilding in Durham and York has been achieved with sensitivity and the results have won awards.

Design for a relaxing business



"WH Smith is about the constructive use of leisure and relaxing", says Michael Wolff, above, who was brought in as overall design consultant last January. His brief is to choose designers to introduce modernization, building on the firm's reputation for "real integrity".

He wants service with efficiency in an atmosphere of tranquility. On the way in are light and sunny colours, and it is obvious that consideration is given to fixtures and space.

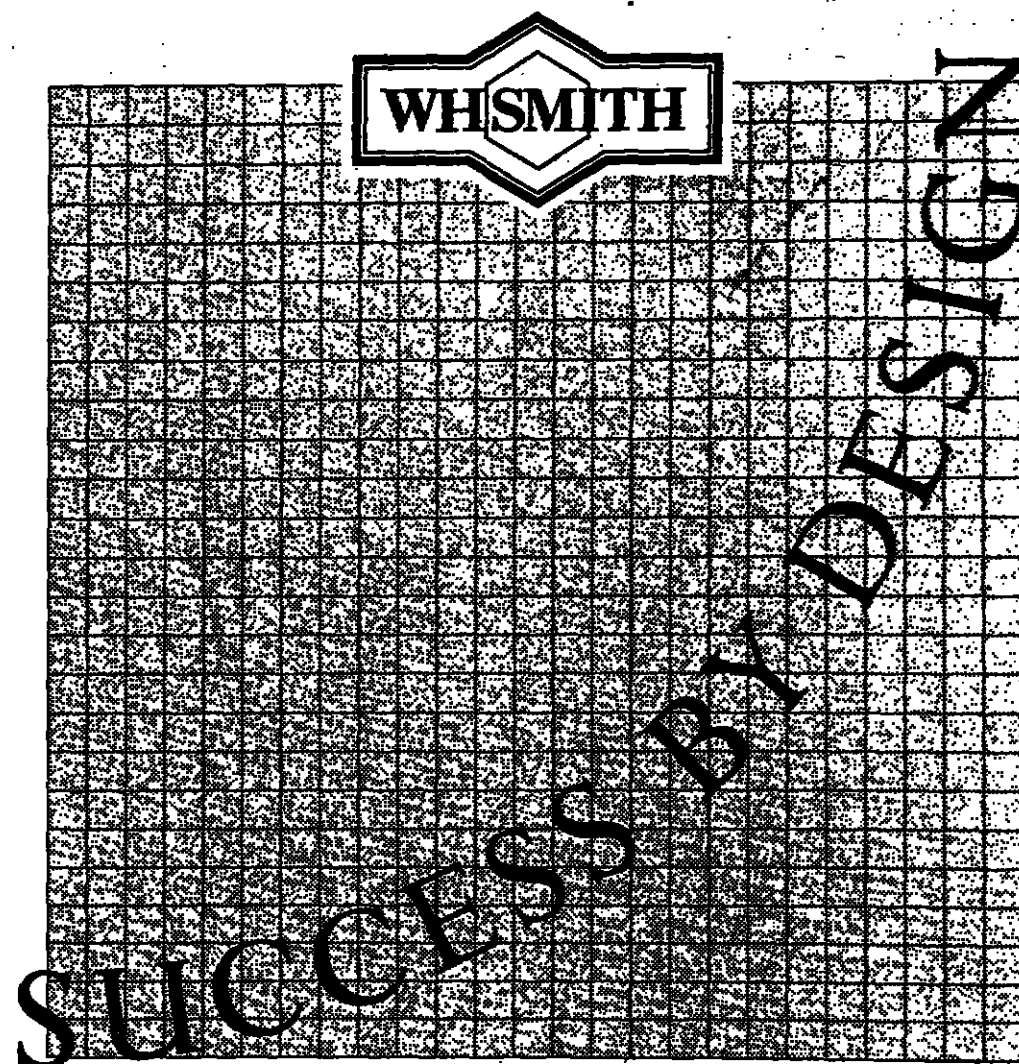
Mr Wolff believes that design has to get down to the minutiae — even to the design of adhesive price stickers and the "Thank you" printed on back of receipts.

He is a key member at regular design policy committee meetings, the design review body and design clinics. Simon Hornby, the company chairman, heads the quarterly policy meetings.

The idea is to safeguard copyright, avoid pitfalls and spread confidence in design decisions.

success (sək-s) n. 1. outcome of undertaking (all success); favourable outcome, accomplishment of what was aimed at, attainment of wealth or fame or position, (have inspired for it without success; military success; quell by success); nothing succeeds like a one success leads to others ~ story, person's rise from poverty etc. to fame; hence ~ful a. ~FULLY adv. 2. thing or person that turns out well

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DESIGN FOR SUCCESS/2



Buying art for pleasure: Simon Hornby, chairman of WHS

Man with an eye for art

"I think of design starting with function," says Simon Hornby, chairman of WH Smith since 1982, and chairman of the Design Council. "Design has to be taken away from art: there's a great danger of people thinking of design as something aesthetic."

In his office at the group's London headquarters in Holbein Place there is a large tapestry designed by Elisabeth Frink. It is his own, but in the boardroom there is an even larger Frink tapestry, *Pilgrim riding into Chartres*.

In the grounds of the company's retail headquarters at Swindon, Wiltshire, there are three large Frink statues of nude men standing, walking and running.

The man who is forming this collection is the chairman himself. "If you try to buy by committee it never works, so I decided we would buy only from contemporary British artists — people who are alive — and try to build up a collection which will not only give pleasure to the staff, but will support British artists."

"We are not going to look only for underdogs, just trying to build up an interesting collection."

He started buying about eight years ago. "I could spend £3,000 a year, but I've stuck to common sense, and we've commissioned a number of things."

From Lord Eccles — "one of the best collectors I know; he was able to understand quality in a way that very few people can, and he had an incredible eye" — he learned of Peter Collingwood and commissioned a large tapestry from him, in different coloured wools pulled over steel struts, which is now displayed at the Swindon offices.

"Swindon has given us a chance to commission things, because we have this very good new building. We were able to commission some clocks from Gordon Burnett — we've got one in the hall and one in the boardroom at

£640,000 goes in sponsorship

Holbein Place — and we commissioned a mobile from Sally Freshwater for the entrance hall in Swindon. It's in very light silks which flutter in the wind.

"We've also commissioned some more tapestries for the staff restaurant there, following a competition."

The biggest commission is the three enormous Frink statues — "they look wonderful standing, walking and running in the countryside."

He points out that there are a number of opportunities for

sculpture in the grounds at Swindon, landscaped by the designer John Hope. Christie's prints are on the walls at Swindon, rather than leave them bare for gradual acquisitions.

The staff restaurant in London has a delightful picture by John Ward, bought in 1985. *Jane at Florians*, a girl in a green dress against the background of the famous Venetian cafe.

Mr Hornby thinks it important to work in surroundings that are pleasant, though he worries about the new offices in big developments. "Big developers put offices in the bowels of the earth; some of the offices are appalling. People feel very shut in."

When WH Smith left Strand House in Portugal Street, Sir Charles Troughton, then chairman, commissioned John Ward to do 12 watercolours of the staff — not only of the chairman and the directors, but also the carpenter and the electrician.

Bryan Organ's portrait of "Dick" Troughton, as he was always known, hangs in the boardroom, and there is a portrait by William Coldstream of St John Hornby, painted in 1940. ("I thought it would be nice to be painted by William Coldstream," said Mr Hornby "but he wanted 80 sittings.")

A very strong abstract by Richard Smith in reds, blues and greens, called *Floors Covered* hangs in a corridor, and an elaborate, framed piece of batik is in an office.

"It's a very eclectic group, varying from the pure abstract to present day expressionism. I don't collect with investment in mind; the motive is always buying for pleasure. I'm very decisive; if I like it, that's it. I think you buy better if you trust your eye."

WH Smith has a large arts sponsorship programme — its annual Literary Award began in 1959 — most of it is for the encouragement of the young, with Poets in Schools, the Young Writers Award, the Cushion Concerts, and Interact, which brings the work of the National Theatre to schools and colleges. There is only one award for the visual arts, the WHS Illustration Awards, won this year by Ralph Steadman for *J. Leonardo*.

As a founder member of the Per Cent Club, a group which gives one per cent of pre-tax profits back to the community, WHS put £640,000 this year into sponsorship or secondments or, as the chairman says, "just plain charitable giving."

"In a couple of years," he says, "it will be a million to give away."

Philippa Toomey



Art with an eye to selling: the redesigned children's section at the WHS Southampton store



Giving the company a new image: designer Nicholas Jenkins

Symbol of pride

Seventeen years ago the WHS cube was born: a symbol to inspire confidence in value for money. It became a nationally-accepted logo, just as the egg-shaped sign had been for an earlier generation.

Fashions change. The cube's origins lay in a request to the Royal College of Art to design a new symbol. The commission led to Richard Guyatt, then professor of graphic design, and Nicholas Jenkins, senior tutor, setting up the Jenkins Group, with WH Smith as the No 1 client.

"We soon designed 200 shopfronts," recalls Mr Jenkins. Modern perspex and expanses of glass replaced the older wood and bow windows.

The cube was used as a continuous strip, or as a single symbol — as in Sloane Square, where the shopfront is listed.

Next came a complete re-think of stationery. Mr Jenkins reduced and rationalized the "amazing numbers of forms." He repackaged products, coming up with designs now taken for granted — notably the letterbox stationery range.

A recent commission from

the chairman, Simon Hornby, was to produce a report on the relationship between the firm as retailer, wholesaler and corporate holding company. The result is that the latter now has its own identity in a new logo, which contains, within its "label device", the outline of a cube.

Mr Jenkins produced the Do It All rainbow, that colourful image heralding a new era.

With his long links with WH Smith — "a very comfortable name" — he was the designer chosen to arrange the exhibition at the Royal College of Art promoting, as he says, "a company unique in its interest in, and reliance on, design for 100 years."

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£200m facelift to please customers

The WH Smith group is spending £200 million over the next three years transforming its 320 branches. Out is the dated, staid decor with the orange and brown tones, criticized in interviews with shoppers a couple of years ago; a quarter of the adult population visit a branch at least once a week, writes Ann Hills.

Women, in particular, also complained of crowds and often regarded a visit to Smiths as a task to be completed as quickly as possible.

Peter Leonard, aged 33, won the task of transforming the shops in competition, and by last November completed the prototype shop in Southampton.

"The first thing was to explore the concept of leisure shopping," he explained. "I wanted people to see beyond the shop window - now with projected lettering replacing the old flat, horizontal fascia - to see what is going on inside. They might come in on impulse, or decide to stay after buying envelopes."

The front section is "fresh produce" - newspapers and magazines. The floor has a hard, tiled surface; research showed that people are reluctant to walk on to carpet, particularly if it is raining.

With the threshold reduced as a barrier, Mr Leonard, concentrated on retaining some features to make older customers feel at home. The brown carpet has specks of peach and blue and above the shelves is a traditional echo - a charming series of woodcuts by Andrew Davidson, pinpointing each colour-coded

The new style will go countrywide

section, from paperbacks to stationery. Full-height, vertical graphic panels by Paul Leith with colourful scenes define boundaries between subjects.

These, as well as large photographs, can be dismantled and replaced - perhaps by thematic Christmas or Easter displays.

Before-and-after research, based on 3,000 interviews in Southampton, underlined general approval. Women no longer complained about crowds. Men remained loyal and, on average, customers stayed significantly longer and spent slightly more.

The new style will appear countrywide, in shopping streets, malls and railway stations, but not at airports where Smiths have five concessions.

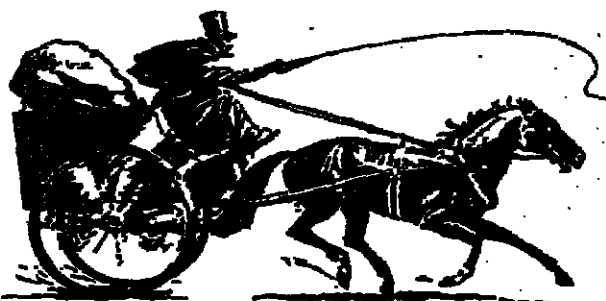
Southampton has its "personalized" details: a yacht logo will be repeated as a tribute to local pride.

The group, which includes several chains of shops, all of which are expanding, also has 105 wholesale houses and services the television industry. Books for Students, based in Warwick, and Bookextra, which sells books to newspapers and supermarkets, are among the other developments.

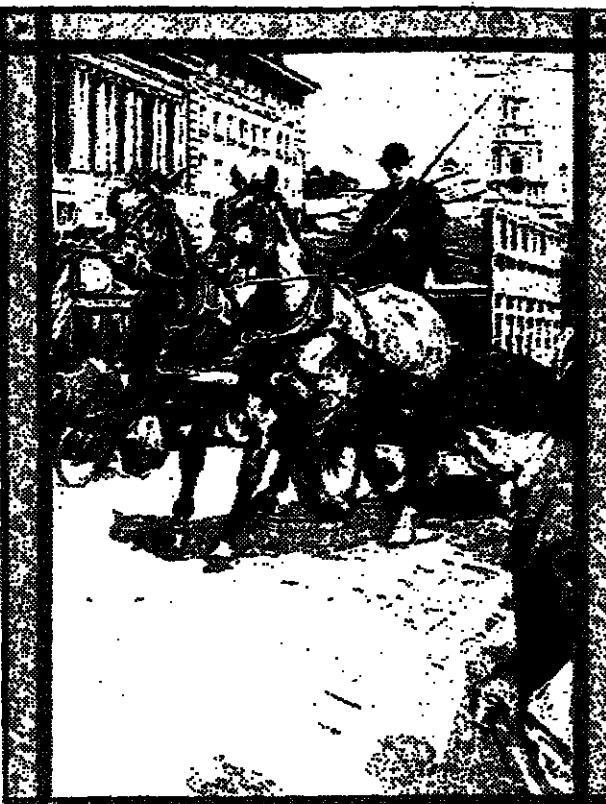
WH Smith Travel began as a department within branches, but now the first store of stand-alone shops have opened, with a consistent, fresh design. Here the leisure concept is even more important, "tagged" with a projecting sign in the shape of a luggage label. The travel department is advertised in a handwritten script which is illuminated at night. Research has shown that "travelling" is a different occupation from booking. Video screens project holiday ideas, either encouraging browsing or helping to pass the time if the consultants are occupied.

"After buying a house and car, a holiday is frequently the biggest purchase," says Roger Cornfoot, a market research manager, whose researchers found that would-be travellers resent the burger-bar atmosphere in some travel agents. "They want a serious discussion, undivided attention and privacy."

Thus, WH Smith Travel has made a point of putting the consultation area at the rear, where customers meet staff at round tables. The air of informality, with palm trees and soft lighting, doesn't de-



As it was: racing with newspapers to the stagecoach terminal



Seasonal sell: old Christmas card advertising the company

tract from the need for instant, computerized information and bookings. The holiday begins here is a boast confirmed by reactions to the upmarket treatment in this fast-growing chain. Paperchase should sell itself, according to Michael Wolff, a consultant designer. The products are bright, jolly and tempting. David Davies, another of the rapidly-expanding

Endorsing its credibility

design groups, has introduced low-voltage spotlights to highlight the goods. The new background is white and pale pink and the carpeting grey with simple coloured squares. The prototype is in Oxford Street, London, one of the company's nine branches.

Do It All, the budding DIY chain with 90 outlets, is mostly housed in industrial-style buildings, though occasionally it surfaces in high streets, as alongside Safeways at Maidstone, Kent. The common symbols are a rainbow

Turnover has hit £1.5bn for the first time

Few people probably associate the DIY chain of WH Smith with the bookseller, but it forms the key part of the firm's new philosophy, concentrating on "the constructive use of leisure time", writes Edward Townsend.

WH Smith is no longer just a railway station bookshop company; it is a diverse group of activities dependent for profit growth on specialist retail and wholesale outlets.

It now has a clear sense of direction and a crisp identity that clearly the buying public appreciates.

The company recently announced increased pre-tax profits for the seventh successive year - £63.8 million, a rise of 30 per cent on the previous year, on a turnover that was up 19 per cent, to breach for the first time the £1.5 billion mark.

Earnings per share leapt from 17.19p to 21.16p and many City analysts commented that the share price was too low.

In 1986-87 the group, which now includes the Sherratt & Hughes bookshop, saw profits from the retailing operation rise by more than a third to £44.58 million.

Books are sold in the UK from 428 WH Smith book departments and 42 specialist shops. The company claims 16 per cent of the consumer book market.

In the same section of the WH Smith business is the Our Price high-street records chain, acquired for £49 million last year. Together with the WH Smith records departments, the group claims 21 per cent of the market.

This aspect of the business was started only in 1985 when Sound FX was opened in Slough, Berkshire, the first in a series of shops created "to reach the older teenage sounds market". Three months later the Music Market chain was bought, and in May, 1986, Our Price.

Twenty-three new Our Price shops have been opened and overall sales have risen by 31 per cent.

Further strengthening of the specialist concept came last year with the purchase of 75 per cent of the stationery shop Paperchase, which had two shops in London's West End, now expanded to eight.

In the United States, WH Smith Inc has emerged from the Elsons company, purchased for \$65 million in 1985, and which provides hotel and airport gift shop facilities across America. Sales last year passed the \$100 million mark, an increase of

Diversity into DIY and music pays off

more than a fifth over the previous full year.

Do It All stores, with their distinctive style, increased their sales by almost 35 per cent to £144.16 million and form one of the most successful elements in the WH Smith equation. Trading profit was up 41.4 per cent to £8.48

Wholesale front not so rosy

million and, said the company, established stores achieved average sales increases of 8.3 per cent, of which 5 per cent was increased volume.

On the wholesale front, the picture has not been so rosy. Sales increased last year by 3.4 per cent to £504.24 million and the profit contribution to the group was £15.41 million. But the Fleet Street distribution revolution and static cover prices for the national newspapers hit profits.

The scene is set for WH

Smith to look to organic growth for its future prosperity rather than acquisitions. It is now opening new stores at the rate of three a week.

Capital spending over the next three years has been fixed at £250 million and gearing stands at 26 per cent. Profits this year may top £75 million.

The one sour note from WH Smith in recent times has been the referral to the Monopolies and Mergers Commission of the £69 million sale of its half-share in Book Club Associates to the West German publishing house of Bertelsmann.

Doubleday in the US had previously been joint owner of BCA, with Smiths, but was bought by Bertelsmann at the end of 1986.

The German group also owns Leisure Circle, BCA's main competitor, and plans to sell 50 per cent of this company to Les Presses de La Cite, which is in partnership with Bertelsmann in France.

With two-thirds of the British book club industry under common ownership, the Office of Fair Trading decided on the referral, a move which, however, came as a surprise to the book club world.

Leisure Circle is about 20 per cent of the size of BCA with about 400,000 members.

WH Smith must now await the outcome of the M&MC inquiry before enjoying the estimated £60 million profits from the unconditional deal with Bertelsmann. The OFT has asked for a decision within three months.



King Arthur's table: plaque from the 1927 Winchester shop

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High Knowl set to initiate Pipe double

By Mandarin
(Michael Phillips)

The talented young hurdlers High Knowl and Framlington Court met for the fourth time in the Flavel-Leisure Four Year Old Hurdle at Newbury this afternoon with the score standing at two to one in favour of Framlington Court.

Last season the grey, trained by Peter Walsby, beat High Knowl by three-quarters of a length to win the Tote Hurdle at Kempton, where he was given 7lb.

However, High Knowl later took his revenge in the Welsh Champion Hurdle at Chepstow to the tune of nearly six lengths when receiving weight.

Rivalry was again renewed this season at Chepstow in the Timeform Handicap Hurdle which Framlington Court won by a length from Prasina Matia and High Knowl, who was giving weight away all round.

On 6lb better terms now he should be capable of winning today's race, especially as at Chepstow he looked as though the race would do him good after his summer's rest. Framlington Court was already race-fit after running over hurdles in France besides a spell of flat racing.

High Knowl's trainer, Martin Pipe, may also have the answer to the Falcon Catering Equipment Novices' Hurdle in Sea

Island, a filly he claimed at Leicester in September after she had won by four lengths over a mile and a half.

Voice Of Progress, whose five wins at Newbury include the Glynwed International Chase 12 months ago, returns to the fray in an attempt to win the same race again.

Talking to his trainer, David Nicholson, at Cheltenham on Wednesday, I got the distinct impression that the confidence in the horse was a bit backward with the exception of Voice Of Progress, who is such a live-wire at home he is a law unto himself. I would not be surprised to see him win again.

Gala's Image, the winner of

the Arkle Challenge Trophy at Cheltenham in March, makes a good start in the Leisure Thinking Sink Chase.

On his latest appearance Gala's Image was beaten a length by the French-trained Arkle on his 7lb better terms he should be capable of beating that horse.

Today's nap, though, is Overdrive to win the Glynwed International Chase at Newbury.

With Steve Causton eager for every winner as he attempts to hold Pat Eddery at bay in the race for this year's jockeys' championship and trainer Henry Cecil as hungry as ever

for winners, we are assured of a good run from this Shirley Heights filly who looked as though she would relish today's distance over a little less at York.

The other bet on Town Moor that appeals to me is Infanta Real in the Doncaster Stakes, even though the opposition includes such fast horses as J Cheever Loophole and Spanish Pine.

When Infanta Real turned her last race at York into a procession, no one should have been surprised because she had been runner-up to Magic Of Life at Windsor first time out. Magic Of Life later won the group two Mill Reef Stakes at Newbury.

French aim to maintain Arc stature

From Dick Hinder, Paris

French determination to protect the Prix de l'Arc de Triomphe as Europe's premier race was underlined with the formal announcement in Paris yesterday that Cipa, the international hotel group, is to sponsor the big race for the next six years from 1988 to 1993 with a total commitment of £24 million.

The new sponsor will back all six races on Arc day next year, which includes the Prix de l'Abbaye sprint championship and the two-year-old fillies' event, the Prix Marcel Bosseas.

Louis Romanet, head of the Societe d'Encouragement - the French Jockey Club - said however that agreement had not been reached on the prize money allocation for next year's Arc.

He said: "We are looking at the overall race pattern of the Arc weekend before deciding our priorities for prize money. But you can be sure we will maintain the Arc as Europe's top event."

Mr Romanet said it was important to safeguard the European race pattern and he was particularly anxious to avoid a clash of interests between Ascot's Festival of Racing and the Arc in France. He said the weekend fixtures are due to coincide.

"We hope to have group races on the Saturday and have informed the British Jockey Club of the problem. Although we have two years to sort this out, we must have discussions."

Cipa take over as Arc sponsors from Trusthouse Forte, who recently ended a six-year association with the race.

The Aga Khan, a principal shareholder in Cipa, was present to witness the signing of the new agreement which took place at Ascot yesterday. "The Aga Khan is regarded as the champion's champion and the whole programme as the biggest racing weekend in Europe," he said.

Charnock fined in whip incident

Lindsay Charnock was fined £250 for "improper conduct" at a Jockey Club disciplinary hearing at Portman Square yesterday.

Charnock and fellow jockey John Lowe were referred to the Jockey Club following an incident when pulling up after the Belle Vue Handicap at Doncaster's evening meeting on June 27.

Charnock was alleged to have struck Lowe with his whip, and Lowe was also called to the inquiry, held under the rule concerning violence and improper conduct, but was cleared.

The incident was first reported after a police constable on duty at the meeting forwarded complaints from members of the public to his inspector. The Sun Alliance was unable to come to a firm conclusion themselves and so passed the matter on to London.

The committee considered evidence from the jockeys, a steward of the meeting, the stewards' secretary and other witnesses, including the police inspector who reported the incident.

Although reluctant to elaborate on the incident after the race, in which Charnock had finished a three-quarters of a length second on the 11-4 favourite, Finlawdie, and Lowe eighth of 11 on Newmarket Sausage, Lowe said: "We forgot about it after we went back to the weighing-room."

Charnock added: "Some reports have suggested that we were enemies, but in fact we were always best chums."

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Lindsay Charnock: fined £250 for "improper conduct"

At a separate inquiry Trevor Hallett, the Devon trainer, was fined £200 for failing to send a copy of his stable's percentage payments to the Jockey Club.

Hallett, who was legally represented, admitted the transgression which concerned payments relating to the period ending April 30 this year.

Trainer Terry Casey was fined £70 for submitting an incorrect passport declaration concerning African Lass at Bath in July.

Michael Wigham faces a tight schedule tomorrow. He partners Supreme Rose in the 1.30 race at Newbury before heading to Doncaster to be re-united with Tote-Portland winner Dawn's Delight in the 4.10.

William Hills have Carmelite House, Sale, as their headquarters for next year's Derby.

Fairhouse in his native Ireland in 1973.

He enjoyed his most important triumphs in association with the Rillabell stable, notably winning the Sun Alliance Novices' Hurdle and the Waterford Crystal Stayers' Hurdle, both at the Cheltenham Festival, on Gaye Chance. He hopes to return in racing as an official.

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NEWBURY

Selections
By Mandarin

2.00 Echo Souther. 3.30 Gala's Image. 4.00 Sea Island. 4.30 Redgrave Girl.

Michael Seely's selection: 2.30 High Knowl.

Going: good to soft

2.0 ROSY BROOK HANDICAP CHASE (23,028: 3m) (7 runners)

101 11219-1 HAVENLIGHT 157 (F.5) (C. Linton) C Linton 10-11-10... R Bowyer (7) 70
202 12221-1 GALA'S IMAGE 168 (F.5.5) (S. Smith) S. Smith 10-11-10... D. Bagnall 69
404 21322-1 RAISE AN ARGUMENT 204 (F.5) (P. Poynton) Mrs M. Dickinson 8-11-10... R. Bagnall 69
407 21542-1 COUGHLANS RUN 185 (F.5) (S. Sainsbury) T. Forster 8-11-10... R. Bagnall 69
408 21922-1 DEER 181 (F.5) (S. Sainsbury) T. Forster 8-11-10... R. Bagnall 69
409 41124-1 DOUGLAS 181 (F.5) (S. Sainsbury) T. Forster 8-11-10... R. Bagnall 69
410 10124-1 LOR MOSS 426 (F.5) (A. Loughton) A. Loughton 7-11-10... R. Bagnall 69
413 38719-1 BALMORAL 216 (F.5) (S. Sainsbury) T. Forster 8-11-10... R. Bagnall 69
414 01024-1 TONYRIDGE GREEN 204 (F.5) (S. Sainsbury) T. Forster 8-11-10... R. Bagnall 69
BETTING: 5-1 Havenlight, 11-4 Mr Frisk, 7-2 Golden Minstrel, 6-1 Echo Souther, 10-1 Knock Mill, 12-1 Risk A Bet, 15-1 Spartan Orbit.

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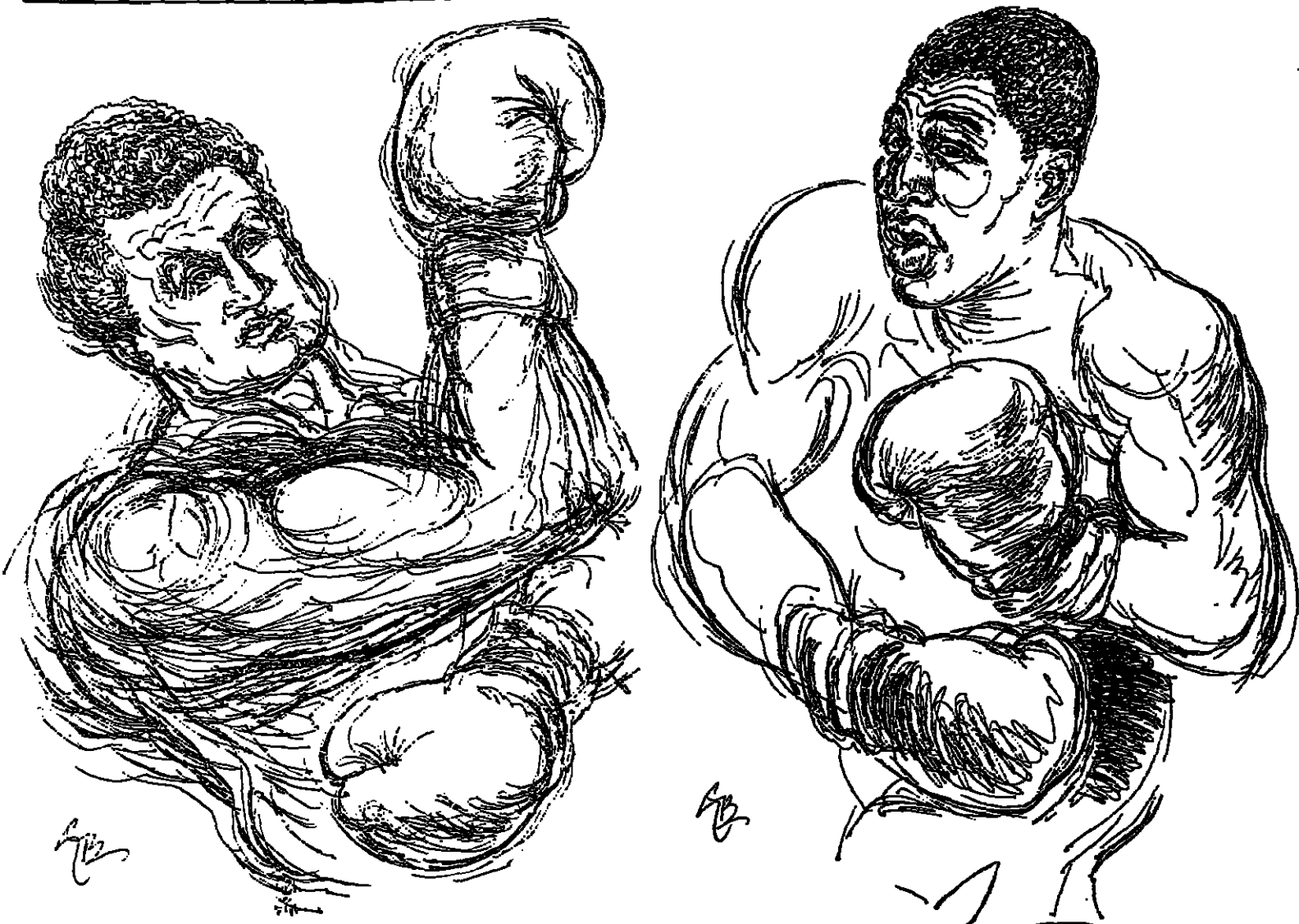
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1986: 1 HAVENLIGHT 7-

Andrew Longmore squares up to the fight within a fight



New lord of the noble ring

Long after the hype has died down, the fighting in the ring has ceased and the whole money-making circus has moved on, the significance of tomorrow night's encounter between Joe Bugner and Frank Bruno will be felt in boxing.

It is not just that the multi-million-pound extravaganza is the biggest single event in British boxing history, it is that there is a new face among the promoters and new faces in the tight and protected world of boxing promotion are as rare as butterflies in winter.

Since the war the roll-call of top promoters is short: Solomons and Levine, Duff, Barrett, Astaire and Lawless; and, more recent, Frank Warren. Give or take one or two shooting stars and that's about it.

But Barry Hearn's quick thinking in tying up the Bruno-Bugner fight before anyone else had moved has stirred up a profession which views change with the same enthusiasm as Moscow's Politburo. Allegiances are shifting, the old order appears to be cracking up.

Like all close families, any change in the dynasty usually ends in tears. Just as Mickey Duff's early attempt to end the Solomons monopoly was greeted by a volley of wits, so Frank Warren's arrival in the early Eighties was similarly blocked at every turn. Legal threats and abuse came in equal measure.

Warren had the audacity to challenge Duff and Barrett on their own grounds, the York Hall and the Albert Hall, venues which they proudly used to describe as "our buildings".

Warren worked on a simple philosophy: people don't come to see the fight and if it is a good fight it does not matter who promotes it. His success in getting good fights and in persuading ITV to cover them did not go down well in the offices of the Barrett-Duff organization in Wardour Street.

"It took five years to break their monopoly of venues but it was worth it in the end," Warren recalls. "The hostility came from them in the early days because they felt I was encroaching on their divine rights." But brought up in a working-class background in North London, Warren is made of sterner stuff than his quiet voice and diffident manner suggest. Despite several years of all-out war, he survived and his contempt for Duff and Barrett is unquenched.

"It's become a very personal thing now, particularly between me and Duff. I detest Mickey Duff. I dislike Mike Barrett. He adds nothing to their position at all. Duff is a motivator, Astaire the steady influence and Lawless is Uncle Terry, who handles the fighters."

The difference between Hearn's arrival and that of Warren is that Hearn, however much he says otherwise, cannot be independent. He depends on Lawless's boxers and, for the moment, on Duff's expertise. The man who looks to be out in the cold — or, to use his own analogy of musical chairs, to be left standing — is Barrett.

Barrett made no secret of the fact that he expected to promote the Bugner-Bruno fight. He was disgusted with Lawless for taking Hearn's offer instead, a disgust which stemmed only partly from a growing personal antagonism between the two. Quite simply, he was beaten to the punch by a novice 20 years his junior and deep down he knew it.

Barrett could find himself back where he started 37 years ago, on his own. Hearn wants to buy him out of any ties he has with the other three. Hearn says.

It is ironic that long before Hearn got involved Barrett was promoting snooker at the Wembley Conference Centre. He lost the venue and got out of it, leaving the field open to Hearn. But at least he will have the compensation of knowing that through his profit-sharing deal with Astaire, Lawless and Duff he will get some financial return from tomorrow's fight.

In the shifting sands of boxing politics the firmest ground is between Lawless and Duff. It was inevitable that wherever Lawless went, Duff would go, too.

"I've fought with Mickey for 30 years," Lawless said, "and yet he's one of my closest friends. We argue mainly over money and opponents but he is the most knowledgeable man of boxing in the world and the best judge of a fighter I know."

Lawless's great asset has always been the loyalty of his fighters, which was severely called into question three years ago when he was accused, in an article in *The Sunday Times* of running a profit-sharing cartel with Duff, Barrett and Astaire to the financial detriment of his boxers. Lawless and the others were all cleared of the charge by the British Boxing Board of Control.

Recently he has moved actively into promotion but only time will tell whether the Hearn-Lawless-Duff combination will last. If Bruno wins, they will want Mike Tyson next. Either way, it is difficult to see Hearn

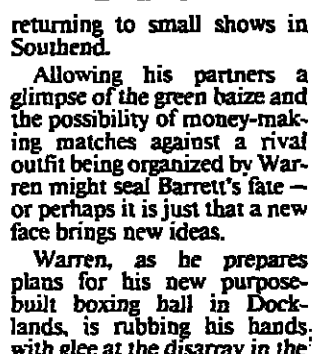
WHO'S WHO OF THE LEADING PROMOTERS



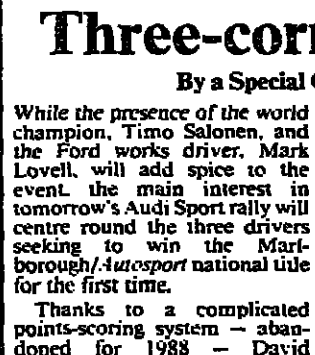
Terry Lawless
Aged 55; born and bred in Poplar, East London. "Was a terrible boxer" but became involved with a successful amateur boxer and took out a second licence; became a manager in the late 1950s; managed four world champions: John H. Stracey, Jim Watt, Maurice Hope and Charlie Magni; with the promoters, Duff, Barrett and Astaire, was cleared by the British Boxing Board of Control after allegations by *The Sunday Times* in December 1984 that the four had operated a cartel to the detriment of certain boxers.



Mike Barrett
Aged 55; born in Clapham, London. First professional promotion was at Enson Bath, 1960; main venues: Albert Hall, where he has been promoting for 26 years, York Hall and Wembley Arena; went into partnership with matchmaker Mickey Duff in mid 1980s; promoted "around 20" world title bouts; first to appreciate importance of TV and matched two non-British boxers, Johnny Farnham and Jose Legra, in 1969, for benefit of European TV; has also promoted professional cycling and snooker.



Frank Warren
Aged 35; brought up in Islington; left grammar school at 15; started promoting boxing a few years later without his licence ("I never thought about getting one"); granted his promoter's licence by the British Boxing Board of Control in 1980; runs 30 to 40 shows a year and has staged eight world title bouts; now has a stable of 26 boxers; business interests include property, a TV production company, publishing and, more recently, snooker. Main venues: Alexandra Palace, Albert Hall and York Hall.



Jarvis Astaire
Aged 64; a businessman who is deputy chairman of Wembley and owner of Viewpoint, a company which promotes boxing and other sports on closed-circuit television; co-promoted the Ali v Cooper fight in 1968 but has never held a BBC of C licence; promoted the first inter-city match between Joe Frazier and Muhammad Ali in 1969; introduced American Football into Britain with cinema broadcast of the 1980 Superbowl.



Mickey Duff
Original name Michael Prager; came to England from Poland; had over 80 contests as a professional but dropped out of sport in 1952; began promoting small shows in late 1940s and became matchmaker for Harry Lawless; in late 1950s went into partnership with Mike Barrett with whom he has promoted over 15 world title bouts; managed prominent boxers: Joe Frazier and Lloyd Honeyghan to world titles; main venues: Wembley Arena, Albert Hall; is pursuing his boxing interests in the United States.



Barry Hearn
Aged 38; son of a Dagenham bus driver; came to prominence as the manager of Steve Davis whom he discovered playing in a pool hall in Romford; became Davis's manager in 1978 and steadily built-up the Matchroom snooker team; set up Matchroom Ltd in 1982; became friends with Terry Lawless and promoted his first boxing show at Southend in September; when Trevor Berbick pulled out of his match with Bruno, Hearn stepped in with a contract for the Bugner fight which Lawless was unable to turn down.



Honeyghan thinking like a true champion
By Srikumar Sen, Boxing Correspondent
There seems little chance of Jorge Vaca reproducing the kind of upset that has marked Anglo-Mexican rivalry at welterweight in the past and returning home with Lloyd Honeyghan's world titles on October 28. For even though the Mexican arrived yesterday with an impressive record on paper of 42 victories in 48 contests, including 37 wins inside the distance, the list does not bear close scrutiny.

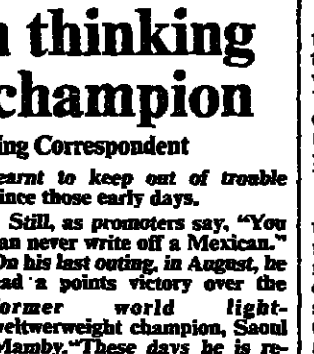
Vaca has boxed only before Mexican crowds and 28 of his contests have been in his home town of Guadalajara, and eight bouts have been rematches. His five defeats have all been knockouts inside five rounds. In case this shows that he has a glass chin, the Mexican with the weather-beaten, fist-beaten face is quick to counter that he has



learned to keep out of trouble since those early days. "You can never write off a Mexican," he says. "On his last outing, in August, he had a points victory over the former world light-welterweight champion, Saul Marmy. These days he is regarded as the best champion of Mexico for all divisions," his manager, Raphael Mendoza, said.



"He is a good boxer and he is clever. It will be longer this time. He will not come at me like Hatcher," Honeyghan said. Honeyghan's trainer, Bobby Neill, said that his charge is thinking like a world champion. "His punching has got better and his footwork improved ten fold," Neill said.



Five new countries were admitted to international competition last season, including, perhaps significantly, Australia and two more, Norway and Monaco, are now qualified to join the fray.



Norman Perkins is unavailable for Cyphers and his place at No. 2 on Dave Crocker's rink is

CRICKET

India triumph and increase chance of a golden final

From Alan Lee, Delhi

The pot of gold at the end of this World Cup rainbow is a final involving India and Pakistan. It would be the ultimate of the organizers' dream since they first mooted the idea. After yesterday, they can start making plans.

India avenged their earlier one-run defeat by Australia so comprehensively that there can no longer be any doubt that they are the strongest nation in Group A. Barring accidents, they should now win the group, earning a home semi-final and, more important in the scheme of things, avoiding Pakistan.

Australia's victory over India was due to keeping their nerve the better under pressure. Two weeks on, however, the champions are an altogether more relaxed and commanding side and, despite being put in by Border, they dominated the game from start to finish.

In this instance, statistics are revealing. It was a match of five half centuries. Four of them made by India; a match in which only two bowlers conceded fewer than four runs an over, both of them Indian spinners. Thankfully, within the most rigid security screen I have ever known, it was also a match of no bombs, no booby traps and none of the threatened demonstrations.

Frankly, any would-be terrorist willing to queue for several hours, as most of this crowd did, and then undergo unpeppered searches and walks through metal detectors, scrutinized by an awesomely large police presence, would have needed unlimited patience and certifiable insanity. Doubtless the breed exists but none turned their attentions to cricket.

Delhi is a relatively small ground; the pitch was good, the outfield fast. India needed to aim for 300 to feel safe and they did not fall far short. By the time the majority of spectators had come through the security ordeal, Gavaskar and Srikanth had taken 50 from 10 overs.

McDermott, held back as expected, brought an impetuous shot from Srikanth but Gavaskar made real progress to 61 before a rare error of judgment against O'Donnell's inswinger. The end of the competition, Siddhu, completed his third successive 50, but disappointingly, perished to another lavish drive and when Kapil failed to justify his own promotion India were behind the clock at 178 for four in the 36th over.

Other teams might have fallen away here but Vengsarkar and Azharuddin built a delightful start of 65 in 10 overs. Both were showing their true class for the first time in the tournament and emphasizing the formidable depth of this Indian batting.



Azharuddin, whose runs came from only 47 balls, later took the man of the match award from Donald Carr after fielding brilliantly and picking up three bonus wickets. For me, though, the match-winning performances came from the two slow left-arm bowlers.

Their styles are quite different. Maninder is a genuine spinner, employing loop and turn; Shastri is a highly effective run-blocker. Their 30 overs cost only 69 runs and removed the top four Australian batsmen, after Boon and Marsh had provided a typically fluent start with 88 from 18 overs.

Maninder accounted for Marsh with turn. Jones and Border with flight. He has now taken nine World Cup wickets for 143 runs in four matches and has become India's key bowler.

Shastri's victim was Boon, adjudged caught, behind and hanging around in a petulant way before offering a two-fingered salute to the jeering crowd as he walked slowly off. On another day, this might have been just the sort of unprofessional behaviour to incite a riot. Yesterday, the crowd was far too busy celebrating.

INDIA
K. Srikanth c Dyer b McDermott — 25
S. Gavaskar b O'Donnell — 51
N. S. Sidhu c Moody b McDermott — 51
D. Vengsarkar c O'Donnell b Reid — 61
Kapil Dev c Dyer b McDermott — 54
M. Azharuddin not out — 44
J. Shastri c and b Waugh — 18
J. K. More not out — 16
Extras (b 1, s 6, w 11, b 1) — 18
Total (for 6 wickets, 50 overs) — 289
M. Maninder Singh did not bat
FALL-OF-WICKETS: 1-50, 2-123, 3-167, 4-178, 5-243, 6-274.

AUSTRALIA
D. C. Boon c More b Maninder — 38
D. M. Jones c Dyer b Shastri — 32
A. R. Border c Prabhakar b Maninder — 16
S. T. Waugh c Siddhu b Kapil Dev — 2
I. W. Moody not out — 2
S. P. O'Donnell b Azharuddin — 2
J. C. Dyer c Kapil Dev b Prabhakar — 4
C. J. McDermott c and b Azharuddin — 4
A. K. Zesers not out — 2
S. A. Warne c and b Azharuddin — 1
Extras (b 11, w 9) — 20
Total (40 overs) — 139
FALL-OF-WICKETS: 1-38, 2-106, 3-135, 4-157, 5-188, 6-227.
BOWLING: Kapil Dev 9-1-41-1; Prabhakar 10-0-56-1; Maninder 10-0-34-3; Shastri 10-0-51-1; Shastri 7-1-37-0; Azharuddin 3-50-19-3.
Umpires: D. Shepherd and Khaid Aziz.

Morrison hoping to be given a chance

Calcutta, (AFP) — The Auckland medium fast bowler Danny Morrison could make his international debut for New Zealand in their World Cup group A match against Zimbabwe here today. Morrison, who is 21, has not played since the team's practice matches more than two weeks ago.

Now the spin bowlers' lack of success and the prospect of a seaming pitch to give Morrison his first real opportunity.

"I would have actually liked to play in the last game against Australia," Morrison said. "Australia played four seamers and we have on our side that might have been the difference in the end."

With John Bracewell, regarded as the best spinner, conceding nearly a run a ball and Dipak Patel and Stephen Bock only marginally more economical, a change of tactics will work to Morrison's advantage.

CUP DETAILS

Group A	P	W	L	Pts	Rate
India	4	3	1	12	5.32
Australia	4	3	1	12	5.23
Zimbabwe	3	0	3	0	3.42

REMAINING MATCHES (India): Today (Calcutta) New Zealand v Zimbabwe, Oct 29 (Mumbai); India v Zimbabwe, Oct 29 (Chandigarh); Australia v New Zealand, Oct 30 (Calcutta); Australia v West Indies, Oct 30 (Pune, India).
Group B (Pakistan v West Indies, Oct 31 (Punjab); India v New Zealand, Oct 31 (Punjab)).

Group B	P	W	L	Pts	Rate
Pakistan	4	4	0	16	4.87
West Indies	4	3	1	12	5.03
England	4	0	4	0	4.05

REMAINING MATCHES (Pakistan): Today (Karachi) New Zealand v Pakistan, Oct 25 (Faisalabad); Pakistan v Sri Lanka, Oct 26 (Lahore); India v England v West Indies, Oct 30 (Pune, India).
Group C (Sri Lanka v West Indies, Oct 30 (Punjab); Pakistan v West Indies, Oct 31 (Punjab)).

Jameson to coach Sussex

Sussex yesterday appointed John Jameson, the former Warwickshire and England opener, as their new chief coach. He is the replacement for Stewart Storey, who was sacked in February after claims that he had been involved in a breakdown of communication with the players.

Jameson, 46, who shares the highest unbroken stand in England of 465 with Rohan Kanhai for Warwickshire, starts his new job on November 2. Sussex, who finished bottom of the championship and next to bottom in the Sunday League this year, have since appointed Paul Parker.

BOBSLEIGHING

Sponsor to fund world cup

By John Hennessy

The persuasive power of two Britons, Anthony Burghen and Simon Strong, has been largely instrumental in bringing an important development to the somewhat esoteric sport of bobsleighing. As a result, Foster's the aggressive promoter of Australian lager, is providing sponsorship which should amount to £1 million in the next five years.

Foster's are to underwrite the bobsleigh world cup series, set up on a shoestring a few years ago by the International Bobsleigh Federation. The lack of funds has held back the full exploitation of the event and it has run a poor second to the world championships.

All that will change now, since the money will be there to meet the cost of all teams and prestige will command their presence. There will therefore be less chance of a winner emerging of the standard of Matt Roy, who finished in the lead for the United States last season.

For all the good intentions, this season will still be dominated by the Winter Olympics in Calgary in February. Five teams are to be included in this season's series — at Altenberg (East Germany), Winterberg (West Germany), Igls (Austria), Kitzbühel (West Germany) and Cervinia (Italy).

Nick Phillips, who was sixth in the world two-man last season, represents Britain's only hope for a medal in Calgary, where 25 nations will take part.

Five new countries were admitted to international competition last season, including, perhaps significantly, Australia and two more, Norway and Monaco, are now qualified to join the fray.

HOCKEY

En fête at Ealing

By Joyce Whitehead

Ealing Ladies continue their centenary celebrations tomorrow with an afternoon of top class matches at Crofton Road, sponsored by the Herts and Bucks Hockey Society, Denis Compton, the guest of honour, will watch the game between Ealing and the England President's XI.

The National county championship starts on Sunday and before it ends, on November 22, 152 matches will be played by 41 counties in five territorial groups, the winners of which will join the champions, Staffordshire, or the Midlands runners-up at Staffordshire are the midland champions again, in the finals at Platt Lane, Manchester, on December 12 and 13.

Six of the seven southern

SWIMMING

Croft looking to strengthen Olympic bid

June Croft, Wigan's national record holder for women's 100 and 200 metres freestyle, starts a serious attempt to re-establish herself as Britain's No. 1 for both events at the three-day Stoke City swimming last season's series — at Altenberg (East Germany), Winterberg (West Germany), Igls (Austria), Kitzbühel (West Germany) and Cervinia (Italy).

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Over the 100 metres she will meet Karen Pickering, the Brighton Swimmers' youngsters who topped last season's national rankings, and in the 200 metres, Ruth Gilman, the Scottish record holder.

JUDO

Rendle gets the nudge over Doyle

Sharon Rendle, the featherweight has won selection for Britain for the world championships in Essen next month following a close battle since September with the former Stoke City swimmer, Loree Doyle (Nicolas Soames writes).

The announcement yesterday confirmed expectations after two decisive victories by Miss Rendle in the British Open and the European Team Championships, and an equally decisive loss by Miss Doyle at the same team championships in Paris.

The men's team will be announced next week. TEAM: Bantamweight (48kg): K. Brown, Featherweight (52kg): S. Rendle, Lightweight (57kg): A. Hatters, Middleweight (61kg): D. Bell, Middleweight (65kg): J. Morris, Heavyweight (67kg): J. Sprakes. Open: S. Lee.

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Three-cornered fight

By a Special Correspondent
While the presence of the world champion, Timo Salonen, and the Ford works driver, Mark Lovell, will add spice to the event, the main interest in tomorrow's Audi Sport rally will centre round the three drivers seeking to win the Marlborough-Autosport national title for the first time.

Thanks to a complicated points-scoring system — abandoned for 1988 — David Gillanders, Russell Brookes and Trevor Smith all stand to win the title.

Hartlepool's hard task

By Gordon Allan
Hartlepool were the last team to win the Denny Cup before it became the McCarthy and Stone national indoor cup championship. That was in 1985, when they beat Cyphers in the final at Darlington.

In the second round tomorrow Hartlepool play Darlington and Cyphers meet Deptford. Hartlepool have the harder task. They beat Darlington in the fourth round last season, but have since lost one of their skips, Derek Bell, to the opposition, who is manager at the Morrison Centre, home of the Darlington club.

Pethybridge hits back

By George Chesterton
The programme has been interrupted by some waterlogged pitches and even, in the case of Ardingly, by a school being cut off. The match between Forest and Aldenham went ahead however, in atrocious conditions with Forest dominating the first half but only managing to score once. Pethybridge was on hand to equalize for Aldenham from a defensive error and also scored the second in his side's 2-1 win.

Oswestry, at home to Wellington, were two goals up within 10 minutes, both from Davies, taking his season's total to 11. Wellington's slow to command in midfield, but it was not until two minutes from time that they pulled a goal back.

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